1	UNITED STATES
2	NUCLEAR REGULATORY COMMISSION
3	***
4	PUBLIC MEETING ON POTENTIAL
5	CHANGES TO NRC HEARING PROCESS
6	***
7	Commission Hearing Room
8	Rockville Pike
9	Rockville, Maryland
10	
11	The above-entitled meeting commenced, pursuant to notice, at
12	8:40 a.m.

1 PROCEEDINGS

- 2 [8:40 a.m.]
- 3 CAMERON: I'm glad to see that most people came back. I
- 4 realize that people have schedules where they might have to
- 5 leave early or leave at certain times today and before, I'd
- 6 give you at least a suggestion of where I think we might want
- 7 to go this morning.
- 8 We have a new participant with us. Why don't you
- 9 introduce yourself to us?
- 10 LASHWAY: Good morning. My name is Dave Lashway. I'm
- 11 here on behalf of the National Mining Association. Tony
- 12 Thompson was unable to make it. Katie Sweeney, also from the
- 13 National Mining Association, is probably going to join us at
- 14 some point, as well.
- 15 CAMERON: Thanks a lot, Dave. Yesterday, we spent a lot
- 16 of time discussing some overall perspectives on the hearing
- 17 process, as well as the objectives of the hearing process, and
- 18 I did do a rewrite of the objective, draft objective statement
- 19 that we were looking at yesterday, and I would suggest that
- 20 when we start off our discussion this morning, we spend a
- 21 little time discussing that.

- 1 And we also began to identify some problems or concerns
- 2 that people have with the existing hearing process and there's
- 3 also a handout you have on that.
- I tried to put them in an order that I thought would be
- 5 most productive for discussion this morning and we'll go over
- 6 this when we get to that part of the agenda.
- 7 And I guess I would suggest that we go first to a
- 8 discussion of the objective statement and then start going
- 9 through the problems and when we get to each of those
- 10 problems, let's just have a full discussion on that in terms
- 11 of whether people think that it's a problem, what the various
- 12 facets of the problem are and what some potential solutions
- 13 are, and we'll work through that way.
- And in terms of a wrap-up, there may be suggestions for
- 15 future process suggestions on this rulemaking. For example,
- 16 Steve Kohn, who can't be here this morning, called and
- 17 suggested that he thought that before a proposed rule is
- 18 published, but after it's drafted, that it might be beneficial
- 19 to get this group back together again to discuss that, and
- 20 I'll just leave that there for the moment and we can think
- 21 about whether there's any other process types of suggestions

- 1 like that for the NRC.
- 2 MURPHY: Does that presuppose that a proposed rule will
- 3 be published?
- 4 CAMERON: No. If there is a proposed rule drafted, that
- 5 would be a suggestion. And I can assure you that we're going
- 6 to have a break at 10:00 today, and I won't say anything more
- 7 than that, but at 10:00, we're going to take a break, and
- 8 we'll try to finish up around 12:15 today. I just thank all
- 9 of you for being here.
- Before we go to the objectives statement, does anybody
- 11 have anything that they want to add before we get started on
- 12 objectives in terms of what we're going to do today?
- 13 ZAMEK: I have a question.
- 14 CAMERON: Sure. Go ahead.
- 15 ZAMEK: My question is whether you had input from the
- 16 Commissioners during the night.
- 17 CAMERON: At 3:30 this morning. No. On that point, I
- 18 will ask Joe if he wants to add any -- Joe Gray if he wants to
- 19 add anything to this.
- 20 MR. GRAY: Probably not.
- 21 CAMERON: But probably not. We were joined by some of

- 1 the legal assistants from the Commission offices yesterday and
- 2 we are going to raise the issue of concern from yesterday and
- 3 Tony suggested that, for example, we get a clarification on
- 4 the SRM. That issue will be raised informally with the
- 5 Commission.
- 6 Joe, are you going to --
- 7 MR. GRAY: With the Commission offices.
- 8 CAMERON: With the Commission offices.
- 9 MR. GRAY: It probably will be tomorrow before I can get
- 10 to them, but there will be a meeting at which I will indicate
- 11 the concerns and what some of the views are with regard to the
- 12 SRM and what it seems to portend.
- CAMERON: And I am going to make, at the break, copies of
- 14 the SRM. Most of you have it, but also I wanted to make a
- 15 copy of the voting record that is available, the individual
- 16 Commission votes, and I'll bring that down after the break.
- Jill, anything else on that?
- 18 ZAMEK: I just feel like we're working in the dark in
- 19 terms of what they're looking for from us. So I was hoping
- 20 for some clarification on that.
- 21 CAMERON: I think that the material that is being

- 1 developed and conversation around the table is going to be,
- 2 from the indications I've had from the Commission legal
- 3 assistants, that the information is going to be very helpful
- 4 for their deliberations.
- 5 Okay. Let's introduce -- is this Katie?
- 6 SWEENEY: Yes. I'm sorry, I'm losing my voice.
- 7 CAMERON: And you haven't even begun the discussion.
- 8 SWEENEY: That's why Dave had to be here with me. Katie
- 9 Sweeney, National Mining Association.
- 10 CAMERON: Thanks, Katie. Let's go to the handout, the
- 11 redraft, so to speak, of the objective in the NRC hearing
- 12 process. Just to -- before we discuss it, just to tell you
- 13 what this means, if it's confusing, is if you look at -- the
- 14 objective of the NRC hearing process is to provide a fair, and
- 15 then there is an addition, and meaningful opportunity for
- 16 interested members of the public.
- 17 There is a substitution for interested members of the
- 18 public, substitute any person whose interest may be affected
- 19 by the proceeding, and that's the language from the statute.
- 20 And then we go to Ray's and we have an addition there,
- 21 and effectively pursue well defined issues that are within the

- 1 scope of review and for the NRC to efficiently, and there is
- 2 an addition, objectively and independently reach legally and
- 3 technically supportable, was the original, and there is a
- 4 substitute there, sound substantive conclusions.
- 5 For those of you who were here yesterday, I think you
- 6 recognize the discussion behind all of those particular
- 7 points.
- 8 What isn't reflected here is we did have a discussion on
- 9 what's the purpose of the hearing process. Resolve disputes
- 10 was suggested, educate the public, inform the staff, and we
- 11 also had some discussions around public confidence, public
- 12 acceptance, and also public perception.
- 13 So let's go to the first phrase, to provide a fair and
- 14 meaningful, et cetera, et cetera, opportunity. Does anybody
- 15 have any comments on that? Bob?
- 16 BACKUS: First of all --
- 17 CAMERON: And speak into the mic, Bob, for everybody in
- 18 the back.
- 19 BACKUS: We all get trained on this. I do think there
- 20 could be confusion between objective and purpose and I --
- 21 before we even get to the first phrase, I would rather

- 1 describe this as just saying the NRC hearing process should,
- 2 because I think we did discuss purposes and these are really
- 3 not the purposes.
- 4 The purposes were dispute resolution and, at least for
- 5 some of us, additional purposes, such as meaningful public
- 6 participation and so forth.
- 7 So I would not want to ever use this, think that we have
- 8 defined this as the purpose, and I think there could be
- 9 confusion when you say objective as being the same as purpose.
- 10 CAMERON: Well, you can get wrapped up in the
- 11 ambiguities, the differences between objectives, purposes,
- 12 outcomes.
- Anybody have any problem with Bob's suggestion? Ellen?
- 14 GINSBERG: This is just a suggestion, but I was thinking
- 15 that one of the things we talked about yesterday and there
- 16 seemed to be some agreement around the table is that a very
- 17 important aspect of this is to reach a sound, legally sound
- 18 and technically sound decision, and I wonder, if we flipped
- 19 it, if it might be clearer by saying that the NRC hearing
- 20 process should, and I'm not providing the exact words, but the
- 21 concept would be should generate a sound record on which a

- 1 legally and technically sound decision can be made through
- 2 providing a fair and yada yada yada.
- 3 That sort of change in emphasis.
- 4 CAMERON: And yada yada yada, that's --
- 5 GINSBERG: That's the first part of that.
- 6 CAMERON: I'm sorry. I just was checking on the spelling
- 7 of that. Let me just check in and see if anybody has any
- 8 problems with Bob's suggestion, which is to get out of the
- 9 definitional quagmire by just saying the NRC hearing process
- 10 should.
- Okay. Now, Ellen, your suggestion is to start off
- 12 basically with the generating the record, so that -- in other
- 13 words, take the last phrase about efficiently, objectively,
- 14 independently arriving at a sound decision and start off with
- 15 that.
- 16 GINSBERG: Yes. Whatever words we use, and I'm not
- 17 necessarily wedded to these as opposed to some of the other
- 18 words we bandied about yesterday, but to provide the initial
- 19 concept as being that this is to get to the right decision, to
- 20 use Tony's words.
- 21 I think that if you start off that way and then you say -

- 1 and you're going to provide the first part, which is a fair
- 2 and meaningful opportunity for interested persons to
- 3 participate, I think that that might really more crisply cover
- 4 the purpose.
- 5 CAMERON: Fine. Anybody have any problem with
- 6 essentially putting that, reorienting the emphasis here?
- 7 Tony?
- 8 ROISMAN: Only in this sense. I think that the first
- 9 part of that phrase, which is fine if it's at the end of the
- 10 statement, shouldn't be at the beginning of the statement, the
- 11 NRC to efficiently or, for that matter, objectively and
- 12 independently. I think that emphasizes the wrong thing.
- 13 If I understand Ellen's suggestion, she wants to start,
- 14 and I don't have any problem with that, with the idea of
- 15 getting to the right result is the first important thing.
- So I would put, if we go with Bob's idea, the purpose of
- 17 the NRC -- or the hearing -- the NRC hearing process should
- 18 reach legally and technically -- I'm not sure whether sound is
- 19 the right word, but whatever it is, something other than
- 20 supportable, substantive decisions and then I assume the
- 21 connecting phrase is "by" and then go to the other clauses.

- 1 But I would put the efficiently, objectively and
- 2 independently somewhere in the body of those next two clauses,
- 3 not as the lead-off after the purpose is.
- 4 CAMERON: Ellen?
- 5 GINSBERG: Tony, yes, I agree with that. That was my
- 6 intent, to get to the right answer as the first emphasis,
- 7 first part of the emphasis.
- 8 The other thing is, we talked yesterday and I think you
- 9 may have come up with this language, I wrote it down, somebody
- 10 -- or Joe Gray may have said this, to generate a sound record
- 11 on which a legally and technically sound, or whatever word we
- 12 choose to use, decision can be made.
- I think there's a benefit in including that, because what
- 14 that talks about is sort of a broader part of the process.
- 15 But I throw that out for consideration, to talk about
- 16 generating a sound record.
- 17 CAMERON: Okay. Go ahead, Tony.
- 18 ROISMAN: I'm sorry. All I wanted to say is I don't know
- 19 how much time you want to spend on playing with words. I
- 20 don't like this word sound, because --
- 21 CAMERON: I think that's an important word probably to

- 1 talk about. We'll spend a little bit of time on that.
- 2 ROISMAN: I just want us to blow past that.
- 3 CAMERON: And I just want to make sure that I understand,
- 4 before we go to Larry's, what Ellen's point was.
- Is there something that needs to be added in here or is
- 6 it in here already?
- 7 GINSBERG: All I was suggesting is the concept of
- 8 generating a record is not in the current paper in front of us
- 9 and yesterday it was made, I think Joe made the suggestion and
- 10 I was just posing it as a possible additional concept to be
- 11 included in this.
- 12 CAMERON: Generating a certain type of record. Do you
- 13 want to put some modifiers on that? Is that what I heard you
- 14 say, too?
- 15 GINSBERG: I think I'll just make this comment and then
- 16 we can go by it. The idea was to generate a record on which a
- 17 technically and legally sound decision could be made, and I
- 18 though that covered a lot of interests.
- 19 CAMERON: Okay. Great.
- 20 GINSBERG: That's why I was suggesting it.
- 21 CAMERON: All right. I got that. Larry?

- 1 CHANDLER: My variation on the theme is sort of what
- 2 started the preamble, taking some of Bob's thoughts into mind,
- 3 start off by saying in order to develop an adequate record
- 4 upon which a legally and technically sound decision can be
- 5 reached, the NRC hearing process should provide, and then go
- 6 through the other, start off with that, capture, I think, some
- 7 of what Ellen was just discussing.
- 8 CAMERON: Do you want to repeat that? Ellen looks --
- 9 GINSBERG: Puzzled.
- 10 CAMERON: -- like she didn't --
- 11 CHANDLER: I would start off the whole concept by saying
- 12 in order to develop an adequate record upon which a legally
- 13 and technically sound decision can be reached, be made, the
- 14 NRC hearing process should, then you capture the remaining
- 15 words, provide a fair, and et cetera, et cetera.
- 16 CAMERON: Jeff is reaching for his card.
- 17 LUBBERS: Just a phrase. How about legally and
- 18 scientifically correct decisions?
- 19 CAMERON: Tony, does that help you in terms of the sound?
- 20 ROISMAN: Yes. That's better, I think that's a lot
- 21 better than sound. It doesn't leave any ambiguity about what

- 1 this is supposed to be.
- 2 CHANDLER: I'm sorry. Which word?
- 3 CAMERON: Legally and scientifically correct.
- 4 CHANDLER: I'm not sure scientifically could work.
- 5 CAMERON: Speak into the mic, please, Larry.
- 6 CHANDLER: I just thought scientifically -- we talked
- 7 about good science yesterday and technical could have a --
- 8 scientists and the engineers tend to --
- 9 CAMERON: Right. Is that indeed -- we're on the science
- 10 versus engineering question here, a Paul points out.
- 11 CHANDLER: There are lots of folks who wouldn't
- 12 necessarily consider themselves to be scientists.
- 13 CAMERON: And that technical is a better word.
- 14 CHANDLER: Technical I tend to think of in a broader way.
- 15 CAMERON: Let me just check in with Tony here.
- 16 Substituting the word correct for sound.
- 17 ROISMAN: I think I would agree with that.
- 18 CAMERON: Better?
- 19 ROISMAN: But I'm not sure I agree with Larry's -- I
- 20 think technical -- it's different than scientific and I agree
- 21 there is this dispute between scientists and engineers, but it

- 1 seems to me that, if necessary, if that really is -- if there
- 2 is some history to it, that maybe both phrases should be
- 3 there, because if it's technically correct and scientifically
- 4 wrong, it wouldn't be the decision the Commission wants to
- 5 reach, and, conversely, if it's scientifically correct and
- 6 technically wrong, it wouldn't be what the Commission wants to
- 7 reach either.
- 8 So if there really is some substantive difference between
- 9 those two words, then I think maybe they both have to be
- 10 there.
- 11 CAMERON: Let's go to Larry, and speak into the mic,
- 12 Larry, and then we'll go to Ellen.
- 13 CHANDLER: The distinction I'm trying to create, and we
- 14 could be spending more time than needed on this, but the
- 15 distinction I'm trying to recognize is there are many issues
- 16 which are not what I would think of as scientific issues.
- 17 In the license transfer area, for example, there are
- 18 numerous issues related to corporate relationships, control
- 19 over corporate entities, which tend to be more of an economic
- 20 or business nature, that I wouldn't necessarily consider to be
- 21 scientific issues.

- 1 They may be issues of foreign control, which I wouldn't
- 2 consider to be scientific issues. So the term I'm looking
- 3 for, and I don't know if technical is the better one, is
- 4 something that would -- it captures the substantive.
- Now, maybe the word -- substituting the word substantive
- 6 for technically, just say legally and substantively, and my
- 7 preference would be the word sound decision.
- 8 CAMERON: So I'll do a reprise on this in a minute on
- 9 what these variations are. Let's hear from Ellen, and then
- 10 Susan, and then see where we are. Ellen?
- 11 GINSBERG: Thanks. With respect to sound versus correct,
- 12 I have a nagging concern about correct, because correct
- 13 implies or at least I infer, when you hear the word correct,
- 14 that there is only one answer and when you have a plaintiff
- 15 and you have a defendant in any civil case, my guess is that
- 16 the losing party views it as an incorrect decision.
- 17 And I really worry about, in this context, using the word
- 18 correct as opposed to sound or supportable. And, again, I'm
- 19 not wedded to either of those words, but something that
- 20 captures the concept that there are certain issues where we
- 21 may not agree on correctness of the decision.

- I don't know, I don't have at my fingertips a word to
- 2 substitute for it that might satisfy everybody, but I do want
- 3 to express a concern about the word correct.
- 4 CAMERON: Okay. Thank you. Susan?
- 5 HIATT: I want to address some of what I think are
- 6 appropriate qualifiers for generating a blank record. You
- 7 might fill in that blank with a full record, a complete
- 8 record, and a balanced record.
- 9 CAMERON: So you would have full and balanced as a
- 10 substitute for adequate or --
- 11 HIATT: Yes. I would prefer substituting that for
- 12 adequate.
- 13 CAMERON: Let me just try to sum this up for people.
- 14 Again, I think it's worthwhile to try to work on this, but I
- 15 don't think that we need to kill ourselves over it either.
- I think we have three issues up here. We started out
- 17 with supportable. We've gone to sound. Is sound better than
- 18 correct? Is there another word to use there? Second issue,
- 19 this technically, scientifically, versus substantive, the use
- 20 of the word substantive, which covers -- which would cover any
- 21 of the types of issues in any hearing that could come up, I

- 1 think is Larry's point.
- 2 And Susan's point that it should be a full and balanced
- 3 record, as opposed to an adequate record.
- 4 Tony, did you want to say something now? Then we'll go
- 5 to Jay.
- 6 ROISMAN; I think Ellen's point put her finger on an
- 7 important issue, if you will, and probably, I mean, the real
- 8 answer to this would be a -- if we came up with something like
- 9 this, what would happen to it.
- 10 If the Commissioners adopted it and put it into the
- 11 preamble to something or whatever, what language would be used
- 12 by general counsel in that statement to describe what it
- 13 means.
- 14 Ellen and I, I think, have a somewhat different view of
- 15 what we think the role of those words, correct versus sound,
- 16 are supposed to mean.
- 17 My idea is that what it's supposed to mean is that the
- 18 Commission has, as its goal, getting correct answers and that
- 19 there are correct answers and the fact that there is a losing
- 20 party doesn't mean that just because they still believe they
- 21 were correct, their answer is correct.

- 1 Ellen's point is to emphasize the process part of it,
- 2 which is that we're trying to have a process which will
- 3 produce, among possibly correct answers, the one that the
- 4 Commission has chosen that will stand up legally in court and
- 5 stand up in other ways.
- I think that's a not insignificant difference. I really
- 7 intended yesterday, when I suggested that we not use
- 8 supportable, but we go to some other word, that the purpose of
- 9 this part of the phrase would be a statement by the
- 10 Commission, assuming it eventually got to that point, of a
- 11 policy that this agency has as its goal, getting correct
- 12 decisions, whether the word is correct or whatever word you
- 13 want to use for it, not that it has as its goal providing a
- 14 fair forum for people to have a fight and when the game is
- 15 over, they'll declare a winner and the losers will go home and
- 16 say we'll play again next week.
- 17 That's a different thing. So I think Ellen and I are
- 18 talking about something slightly different as to what the
- 19 purpose of this phrase is.
- 20 CAMERON: Let's check in with Ellen on that. What do you
- 21 think about what Tony just said?

- 1 GINSBERG: I don't think I disagree with you that we are
- 2 looking for the best decision that you can reach given the
- 3 record in front of you. We are looking for protection of the
- 4 public health and safety. That is every -- what I heard
- 5 yesterday and what I think still stands is that that is
- 6 everybody's goal.
- 7 The question is when you say correct, is there only one
- 8 correct decision, and I guess I have my doubts about many of
- 9 these decisions having only one correct answer.
- 10 I am very concerned, not can you add one and one and come
- 11 up with two, yes, that is quantifiable, you can come up with a
- 12 very specific and correct answer there. There are a whole
- 13 host of issues that may not lend themselves to that kind of
- 14 quantifiable or specific response.
- 15 I think correct is misleading in terms of the objective.
- The other thing is, yesterday, there was a comment made
- 17 about or several comments made about zero risk. The court has
- 18 already talked about zero risk. We can't impose now, unless
- 19 the Commission decides to go in this direction, a zero risk
- 20 standard where the court has said that's not what adequate
- 21 protection means. That's not the definition in the Atomic

- 1 Energy Act and in the NRC regulations.
- I think that plays into this. I just wanted to make that
- 3 point, because I didn't have a chance to do it yesterday.
- 4 CAMERON: Let's hear from Alan before we go over to Jay.
- 5 I don't think that Tony was suggesting that the word sound or
- 6 the word correct would mean zero risk, but I'll --
- 7 ROISMAN: That's correct.
- 8 CAMERON: All right. Alan?
- 9 HEIFETZ: I found Larry's formulation to be one that was
- 10 very understandable to me and clear. I'm concerned about this
- 11 word correct because I don't think it falls within my
- 12 understanding of what scientific method is.
- 13 There isn't any correct scientific method. There's a
- 14 theory that is acceptable and it stays acceptable until you
- 15 can demonstrate that it's no longer acceptable, but there may
- 16 be a paradigm shift. So I don't now any scientist that would
- 17 say you could come to a correct decision and I would hesitate
- 18 to have to make any decision on the record and say that it is
- 19 the correct decision.
- 20 As Ellen points out, half the people who read my
- 21 decisions think I'm a genius and the other half think I'm an

- 1 idiot. So be it.
- 2 The only other question I had is I understand Susan's
- 3 concern about the record, but I'm not sure I understand what I
- 4 would consider to be a, quote, balanced record. Again, that
- 5 seems to be -- which balance may be in the eyes of the
- 6 beholder, but as somebody who is presiding over a proceeding,
- 7 I'm not sure I could satisfy myself that something is
- 8 necessarily balanced or should be balanced.
- 9 Sometimes the weight of evidence is tremendously on one
- 10 side or the other. That's not a balanced record, but I can
- 11 reach a correct result as long as it's an adequate record; in
- 12 other words, there is enough evidence in there for me
- 13 reasonably to reach a decision.
- 14 CAMERON: But not necessarily a correct result.
- 15 HEIFETZ: Not necessarily a correct result, but go on the
- 16 theory that seldom wrong, but never in doubt.
- 17 CAMERON: Right. Is that on the NRC flag? Mal?
- 18 MURPHY: I personally don't -- I mean, I don't read the
- 19 word correct as being limited to one decision. I think -- I
- 20 mean, I sort of prefer, like Tony, prefer the use of the word
- 21 correct versus sound for the reasons I think he expressed,

- 1 that that ought to be the goal of any agency such as the NRC,
- 2 the goal of their adjudicative processes ought to be to reach
- 3 correct decisions.
- 4 And in lots of cases, there are more than one correct
- 5 decision, but the goal ought to be, to phrase it differently,
- 6 I think, the goal ought to be to avoid incorrect or wrong
- 7 decisions. And I don't know how long we need to beat these
- 8 two words, but I prefer the use of the word correct, as Tony
- 9 does, and I don't read that to be limited, to limit the NRC to
- 10 one single decision in any given licensing proceeding.
- 11 CAMERON: I think you can understand, I guess, the point
- 12 that Alan and Alan have made.
- 13 MURPHY: Sure.
- 14 CAMERON: In the use of that term. Let's take two more
- 15 comments on this and this will all be grist for the mill for
- 16 the Office of General Counsel. Susan, did you want to respond
- 17 to Alan's point about full and balanced?
- 18 HIATT: Yes. I wanted to clarify, where I was getting at
- 19 with the idea of balance is that what is typically done in
- 20 practice is when you have a poorly funded intervenor, the
- 21 record is not balanced, is decidedly unbalanced on one side,

- 1 where the weight of the dollars is on behalf of staff and the
- 2 applicant.
- I guess what I was getting at is could you try to,
- 4 perhaps through intervenor funding or some other means, inject
- 5 more fairness into the process so that you don't have this
- 6 one-sided record that will inevitably lead to one conclusion.
- 7 CAMERON: So perhaps the concern there might more fully
- 8 addressed by what fair includes, and that's your concern.
- 9 HIATT: Right. And I think maybe having full and
- 10 complete, maybe that's a better term than balanced, but that's
- 11 what I was getting at, is frequently when you have such a vast
- 12 disparity of resources brought to the proceeding by the
- 13 parties, is you don't have a balance, you don't have a full
- 14 and complete record, that would have been there had there been
- 15 a level playing field among the parties.
- 16 CAMERON: We're going to get to that substantive issue
- 17 today. Let's go to George, Jay, and the rest of you, and
- 18 finish this up. George?
- 19 EDGAR: I'd favor, if we're going to draw some
- 20 distinction between a process-based purpose or objective and a
- 21 result-based objective, I really have trouble with the notion

- 1 that the adjudicatory process is one that creates precise
- 2 results.
- It never has. It's always been a way of approximating an
- 4 answer. We have a system where we'll generate a record, we
- 5 will have a set of standards for a decision, which are really
- 6 not precise standards, reasonable assurance, adequate safety,
- 7 and in the end, a court is going to look at this record and
- 8 say was it supported by substantial evidence.
- 9 I think we're trying to impose and freight too much in
- 10 the process by a statement that would use a term like correct.
- 11 I think it's a little too absolute and it doesn't reflect the
- 12 realities of the existing process.
- 13 CAMERON: Thank you. And you're weighing in on obviously
- 14 the side of not using the term correct.
- 15 EDGAR: Look at how this process has been invented. Why
- 16 are you trying to rewrite the standard?
- 17 CAMERON: I think -- and Tony, correct me if I'm wrong on
- 18 this, but your point is that the decision should be one that
- 19 fulfills the Commission's mandate to protect public health and
- 20 safety, because.
- 21 ROISMAN: Right.

- 1 CAMERON: I mean, that's the underlying concern.
- 2 ROISMAN: That's right. To say correct doesn't mean a
- 3 correct or the correct. It just means correct. That's number
- 4 one.
- Number two, it doesn't attempt to change the standard.
- 6 If it's adequate for the Commission to license a plant, if
- 7 there is reasonable assurance, then all this mean is that its
- 8 decision that there is reasonable assurance is correct and not
- 9 -- so there is no intent to use the phrase to try to bootstrap
- 10 some new standard, but to simply say what the standard is, the
- 11 Commission's decision on that standard, they should have -- I
- 12 mean, it almost, it seems to me, that it's a little surprising
- 13 anybody would argue with it, although I'm often surprised that
- 14 people argue with positions that I take.
- This one seems to be more worthy of being embraced than
- 16 most. It's that they want to make correct decisions and sound
- 17 is just kind of -- I don't know -- it's just kind of mealy-
- 18 mouth word. Correct is pretty clear. It means, yeah, we are
- 19 right.
- Now, some court might tell them, no, you're wrong, and
- 21 events might prove them wrong, but the goal is we want to have

- 1 a correct decision and to take away any suggestion that the
- 2 decision is okay as long as we had a good process and the fact
- 3 that it's correct or not doesn't matter would be really a bad
- 4 thing.
- 5 CAMERON: Mike, you, I think, wanted to amplify on what
- 6 Tony just said, right?
- 7 McGARRY: I do. I think Tony's comments have clarified a
- 8 statement I was going to make before, because it seemed like,
- 9 as George pointed out, we're moving into a direction of maybe
- 10 creating a new standard for judicial review. But as Ellen
- 11 said, we all want the right decision.
- So if this statement somehow is going to work its way
- 13 into a statement of considerations, if there is a rule, I
- 14 wouldn't object to the word correct as long as it is defined
- 15 as you have laid it out, Tony.
- I think George's position should be recognized in a
- 17 statement of considerations that the Commission is not about
- 18 establishing a new standard for judicial review, that this
- 19 test of substantial evidence is to support the decision, but
- 20 it is the objective of the Commission to reach the correct and
- 21 right decision in this context.

- 1 CAMERON: Okay. We're just going to take the cards that
- 2 are up and then we're going to move on. Let's go -- is it
- 3 going to be Dave or is it Katie? Dave, all right.
- 4 LASHWAY: Not beating a dead horse, but there is a lot of
- 5 baggage, I think we would agree with you on that point, but
- 6 there is a lot of baggage with the word sound. At PA, for
- 7 example, sound science is being debated thoroughly in the GMO
- 8 context and let's be sure that if we don't want to amend or
- 9 alter the judicial standard here, sound science may not be the
- 10 term we want to choose.
- 11 CAMERON: Thank you. That's useful for us to look at.
- Jim, and then let's go to Larry for last comment. Jim?
- 13 RICCIO: After listening to Ellen, I understand why the
- 14 industry wants to move towards risk-based regulation. There
- 15 is a standard and the standard should be met. We had a
- 16 deterministic standard for regulation within the industry, and
- 17 I just wanted to point out the irony that we're 45 years into
- 18 the process and we're deciding what constitutes a legitimate
- 19 hearing.
- This reminds me of the meeting we had a couple weeks ago
- 21 where the agency and the industry are sitting around trying to

- 1 determine what is the design basis. You guys are 45 years
- 2 into the process. You figure you'd have it down by now.
- I also get the feeling that I'm sitting around writing
- 4 the statement of considerations for a rule which I oppose, and
- 5 I fail to see how re-working this language is going to make it
- 6 any more palatable to me that you're going to remove my rights
- 7 to cross examination and discovery.
- 8 And I base that upon the SRM, I also base it upon the
- 9 vote sheets that came down from the different Commissioners,
- 10 and while I think it's beneficial to banter around words of
- 11 legalese, I think it's more important that we address what's
- 12 on the table. And hopefully we can get there before I've got
- 13 to leave.
- 14 CAMERON: And that's where we're going, although I think
- 15 that people might disagree with some of your
- 16 characterizations.
- 17 RICCIO: I'm sure they will.
- 18 CAMERON: But I don't think that we're -- the intent here
- 19 is not to be drafting the statement of consideration. The
- 20 relatively, I think, simple idea was expressed by Ellen
- 21 yesterday that we need some sort of a -- and as the NRC

- 1 pointed out in a paper, that there needs to be some foundation
- 2 for what comes out of this revision and that it would be
- 3 useful to refer back to certain objectives in trying to do
- 4 that.
- 5 Larry, you want to wrap this up? Then we're going to go
- 6 into the first problem we identified yesterday.
- 7 CHANDLER: I'll try to be real brief. Susan had
- 8 suggested the addition of the word complete into the process
- 9 and I have a concern about that, and especially with that word
- 10 in the context of some comments that Tony then made.
- 11 The completeness of the -- the hearing process is just
- 12 that. It is a process. It provides a forum by which the
- 13 participants have an opportunity to raise issues and have
- 14 those issues adjudicated. We talked about that yesterday and
- 15 I think George had raised a concern about what the objective
- 16 is; is it dispute resolution or something else.
- 17 The completeness of the record is a function of what the
- 18 parties offer, but also it's something that may be controlled
- 19 by the tribunal, by the presiding officer, by the board,
- 20 whoever is presiding in a given case.
- 21 In other words, a party may have what it believes to be

- 1 more evidence to offer and that evidence may be excluded by
- 2 the tribunal because it may be cumulative or for lots of
- 3 reasons.
- 4 So the term completeness could imply some subjective
- 5 notion that I don't think the Commission may want to subscribe
- 6 to. It certainly needs to be an adequate record, it needs to
- 7 be a substantial record, in order to support a decision that's
- 8 made.
- I was a proponent of the word sound, I still believe it's
- 10 a good one in the context, but I'm concerned about introducing
- 11 a notion that we're changing -- as I said yesterday, changing
- 12 standards here when we describe what really is a process by
- 13 which substantive decisions get made.
- 14 CAMERON: Thank you, Larry. What I'd like to do now is
- 15 to move on to our list of issues and we had a lot of
- 16 discussion of these issues yesterday, including some proposed
- 17 solutions.
- 18 What I'd like to do is to move through these issue by
- 19 issue, and including whether you agree that there is a
- 20 problem, what are the aspects of the problem, what are some
- 21 potential solutions.

- 1 I put the generic issue on first. We had a lot of
- 2 discussion of that yesterday and the feeling was while people
- 3 understand perhaps that there is a long tradition of trying to
- 4 address issues through generic means rather than case specific
- 5 means, but there have been some circumstances where there
- 6 seems to be perception, an element of unfairness associated
- 7 with using generic mechanisms to take issues off the table.
- 8 And if we could put a finder point on what circumstances
- 9 people think are inappropriate for that use, then I think that
- 10 would be very, very helpful.
- 11 I'm going to start with Jeff Lubbers on this one and then
- 12 go to the rest of the folk. Go ahead, Jeff.
- 13 LUBBERS: If I could make a generic point about this. I
- 14 think that it's usually beneficial for agencies to make policy
- 15 through rulemaking, if they can, and I think one of the
- 16 problems with the administrative process now is that
- 17 rulemaking itself has become more difficult.
- But we have many situations where agencies want to sort
- 19 of settle issues that come up in a case by case context. OSHA
- 20 has been trying to do an ergonomics rule for years and it's
- 21 kind of been thwarted by Congressional appropriations, riders,

- 1 and things like that.
- 2 The National Labor Relations Board, which decides cases
- 3 case by case has been urged repeatedly to do more rulemaking
- 4 rather than just wait for cases to come up.
- 5 So I think as a general matter, deciding issues through
- 6 generic means -- and really, I don't know what we're talking
- 7 about except rulemaking there -- is a good thing.
- 8 Tony Roisman raised a few issues with respect to how this
- 9 is done that I just want to comment on. I think that it can
- 10 be a problem if an agency that does a lot of adjudicatory
- 11 policy-making starts -- decides that, well, here is an issue
- 12 that's coming up frequently, let's try to do a rule on it.
- 13 Meanwhile, there are cases in the pipeline where the issue is
- 14 coming up.
- 15 I think there, and we talked about this in one of our
- 16 studies at the Administrative Conference relating to the NLRB,
- 17 we just said that the NLRB should continue to decide those
- 18 cases based on prior precedent while they're doing the
- 19 rulemaking.
- If it's an issue of first impression, and this is what I
- 21 gathered Tony's main concern was, where some issue has come up

- 1 in a licensing proceeding and the intervenors are sort of
- 2 making hay with this and all of a sudden the Commission
- 3 decides, well, let's take it out of the licensing proceeding
- 4 and treat it as a rulemaking issue and not allow it to be
- 5 brought up in the licensing proceeding, that might be a
- 6 problem.
- 7 I think that isolated issue needs to be addressed and I'm
- 8 not sure I have a good answer for that yet.
- 9 But with respect to NRC rulemaking in general, we haven't
- 10 talked about the NRC's rulemaking process. I know you have a
- 11 few rules on that. I don't want to add a new issue here.
- 12 CAMERON: Thank you.
- 13 LUBBERS: But I just want to throw out a few things
- 14 there. You do have a petition for rulemaking process in your
- 15 rules that citizens can take advantage of and the agency has
- 16 to respond to petitions for rulemaking. Intervenor funding
- 17 might be something that could be thought of in the rulemaking
- 18 context, as well.
- 19 The internet obviously gives people or gives the agency
- 20 an opportunity to get more public participation in rulemaking.
- 21 Then there is negotiated rulemaking, which I know that the NRC

- 1 has had to do -- has been required to do, in some instances,
- 2 where it hasn't worked that well, but I think if you're
- 3 talking about an issue that is going to recur and that there's
- 4 a lot of interest in the intervenor community about or the
- 5 industry, and/or the industry, I think it might be wise to try
- 6 to do a negotiated rulemaking on one of these issues.
- 7 So I think there are some things that the NRC could think
- 8 about doing in improving the rulemaking process, but I think
- 9 the real only problem I see is the specific problem of
- 10 plucking an issue out of a -- a first impression out of a
- 11 licensing case and saying, oh, we're not going to handle that
- 12 in licensing, we're only going to handle that in rulemaking.
- 13 CAMERON: Thanks for those suggestions. You mentioned a
- 14 couple of things that I think might sort of zero on in this
- 15 problem. One is the timing issue, the timing of when the
- 16 generic resolution is done, and, also, perhaps the type of
- 17 issue. I don't know if there's anything associated -- there
- 18 are certain types of issues.
- 19 You mentioned this novel new type of thing. I don't know
- 20 if that -- if there's a type of issue criterion that might be
- 21 used here and I think Jill is going to give us some examples,

- 1 perhaps.
- 2 But just as a point of clarification, we have done two
- 3 negotiated rulemakings. One of them was required, on
- 4 radiopharmaceuticals, but the other one was the one that Mal
- 5 Murphy mentioned yesterday that came up with some new rules
- 6 for the high level waste proceeding on this hearing process
- 7 issue.
- 8 Jill?
- 9 ZAMEK: Some of the issues that have been labeled generic
- 10 really have some site-specific exceptions. Diablo is one that
- 11 I work on and when we came -- we did a license recapture, is
- 12 what we did, and we weren't allowed to talk about the waste,
- 13 but the -- it's sitting on an earthquake fault, for one thing,
- 14 and the pools are going to be filled by the year 2006 and they
- 15 gave them the license till the year 2023 and 25.
- It seemed like we should be able to speak to what's going
- 17 to happen to this waste and the earthquake fault and all that
- 18 kind of stuff. It's not generic when it's site-specific.
- 19 CAMERON: But do you -- I guess the question would be, do
- 20 you feel that you can't raise the issues that you want to
- 21 raise effectively by commenting on the proposed generic

- 1 solution to a particular issue that might apply on a site-
- 2 specific basis.
- 3 ZAMEK: One of the problems is the time, talk about
- 4 delay. This hearing was, you know, I don't know, five years
- 5 ago and I never got to speak up about this and I doubt that I
- 6 ever will. And there's no resolution. The same thing
- 7 happened with the Thermolag stuff. You're only allowed to
- 8 talk about that in a small context and it doesn't get resolved
- 9 for many, many years and we don't have any input in that.
- 10 CAMERON: We're going to go to Larry now. Larry, besides
- 11 -- in addition to the point you were making, if you have
- 12 anything to offer in terms of what Jill just said, please do
- 13 so.
- 14 CHANDLER: Actually, I was not going to make a point as
- 15 much as ask for clarification and I think it was of Jill, who
- 16 had made reference, and you've captured it in the words
- 17 generic EIS.
- I just don't understand what the context was in which
- 19 those words were used yesterday, because I can understand
- 20 having issues foreclosed, perhaps, because of generic
- 21 resolution or treatment in a rule and we discussed very

- 1 briefly yesterday the fact that they can be challenged in
- 2 certain circumstances.
- 3 But simply the existence of a generic environmental
- 4 statement, I'm not sure why that would have foreclosed
- 5 consideration of an issue, unless that's somehow captured in a
- 6 rule.
- 7 CAMERON: Now, Jim, it may be -- I'm not sure if Jill was
- 8 the one who mentioned that yesterday, but Jim had an example.
- 9 RICCIO: I think I may have raised it yesterday.
- 10 Basically, if you look at license renewal, the industry has
- 11 mentioned there are at least 22 plants that have now moved
- 12 forward and said they want to do license renewal.
- Many of the generic issues that touch upon license
- 14 renewal were foreclosed long before the public had any idea
- 15 which of these plants were going to be renewed. So there is
- 16 no reason for the public to get involved, because they didn't
- 17 know whether or not there was an eminent threat of the reactor
- 18 being relicensed.
- 19 So just by basically foreclosing issues early in the
- 20 process, prior to the public even having notification --
- 21 LUBBERS: What sort of issue?

- 1 CHANDLER: Let me help. When the license renewal
- 2 rulemaking was undertaken, our Part 51, which are
- 3 environmental rules, dealt with environmental issues
- 4 associated with renewal through a generic process. But this
- 5 is not just simply a freestanding generic environmental impact
- 6 statement. There was a rulemaking associated with it.
- 7 There were -- I forget what the total number was, 88, 90,
- 8 some issues that were identified as being pertinent to
- 9 renewal, environmental issues.
- 10 Of those, some 60 were determined to be and were captured
- 11 in the rule as being generically determined, cannot be raised.
- 12 Some others were question marks and others were left open for
- 13 case by case resolution.
- So there was specific treatment in the rule. It's not,
- 15 as I say, just a freestanding environmental statement, but, in
- 16 fact, the way in which the rule itself is written.
- 17 LUBBERS: Was the rule challenged in court?>
- 18 CHANDLER: No, not on this aspect. No.
- 19 RICCIO: Not the second rewrite of it.
- 20 CAMERON: All right. Let's -- thanks for that
- 21 clarification. I mean, the conclusion of the environmental

- 1 statement is, I think, what Larry is saying were
- 2 institutionalized in a rulemaking.
- 3 CHANDLER: A rulemaking in which there was notice and
- 4 comment.
- 5 RICCIO: Of course, there was notice and comment, but the
- 6 point is if the public has no idea that it's going to affect
- 7 their interests, why are they going to participate? It's a
- 8 way to foreclose public involvement at an early stage.
- 9 CAMERON: Can I put -- and we're going to go to Ellen,
- 10 but maybe to sort of get to the essence of your comment, Jim,
- 11 and perhaps it's sort of what Jill was talking about, it's
- 12 that when an issue is being dealt with on a site-specific
- 13 basis, the people in that community have notice that something
- 14 is going on, whereas if things are being dealt with in a
- 15 generic manner and the famous publication in the Federal
- 16 Register issue, et cetera, et cetera, that people may not have
- 17 the notice that they ordinarily would have in order to resolve
- 18 things.
- 19 I know that from the -- from Jeff's point of view, they
- 20 probably have things to say about that. But, Ellen, you want
- 21 to comment about the license renewal issue. Go ahead.

- 1 GINSBERG: I think it's important to recognize that in
- 2 the course of developing the generic environmental impact
- 3 statement, the NRC left open, you've got these category one
- 4 and category two issues.
- 5 CAMERON: I participated in the process.
- 6 GINSBERG: Right. So the NRC -- well, perhaps for other
- 7 people's edification. The NRC left open the prospect of if
- 8 you could -- and I think the standard is new and significant
- 9 information, that you could open up an issue that had been
- 10 generically determined, but admittedly it was intended to be a
- 11 reasonably high standard because this was generally determined
- 12 through a rulemaking, et cetera, et cetera.
- 13 CAMERON: Thanks, Ellen. Tony, what do you have to say
- 14 about all of this?
- 15 ROISMAN: Well, I think a couple of things. One, since
- 16 it's not this group of Commissioners, although it may be some
- 17 of the staff, I can talk openly about GESMO, because it's a
- 18 good example for Jeff to understand what this problem is.
- 19 The Commission was proceeding ahead with certain kinds of
- 20 individualized licensing decisions and the issue got raised as
- 21 to whether or not there were environmental impacts associated

- 1 with the use of plutonium as a fuel in nuclear reactors, and
- 2 the most significant of those or the hottest one was did it
- 3 make a terrorist risk much more palatable by creating
- 4 something that terrorists could interfere with.
- 5 And we could certainly argue that there's a lot of site-
- 6 specific things that are involved in that. If the site that
- 7 you're going to have all the plutonium at and moved from and
- 8 the site that it's going to be moved to are all in very remote
- 9 areas, where it's relatively easy to do surveillance and watch
- 10 out and protect, you have one set of risks, and if it's moving
- 11 along the eastern seaboard, you have a different set of risks.
- 12 For whatever reasons, the Commission made the decision
- 13 that that issue should be dealt with generically. And let's
- 14 assume for the moment that that was a sound decision and a
- 15 correct decision, and that there was nothing wrong with that
- 16 decision.
- 17 But what the Commission did was it said we're going to
- 18 take that issue away from individual licensing proceedings and
- 19 we're going to move it into a generic context and while we are
- 20 deciding it, the individual licensing proceedings will
- 21 continue and if they reach a conclusion before we're done,

- 1 tough.
- 2 That history makes people very nervous about the
- 3 Commission using the generic process as a device to evade
- 4 facing of questions. They did the same thing on what's called
- 5 the S3 rule, which deals with the nuclear waste disposal.
- The Commission didn't, doesn't and, as far as I know, has
- 7 no intent to ever honestly answer the question does it make
- 8 any sense to allow new nuclear waste to be generated when we
- 9 do not have in place a solution to the problem of disposing of
- 10 it.
- 11 What they said in the S3 rule, which is the still rule
- 12 that applies in every case, is because we will have to have a
- 13 solution, we are going to assume we will have a solution.
- Now, with all due respect, I just think that's garbage
- 15 and it's political garbage. It's not even substantive
- 16 garbage. But that's what they have done.
- 17 So there is this history of people being concerned that
- 18 the Commission is deliberately playing games with this generic
- 19 rulemaking process as a way of taking all the hard issues away
- 20 from individual licensing proceedings and keeping the train
- 21 running on time.

- 1 Having said that, and I don't know that there is a
- 2 solution for that if you can't convince a court, we did in
- 3 GESMO, we did not in S3, that what the Commission did was
- 4 wrong and that may be the only remedy to that. But there is
- 5 at least the second part of it, which I think you addressed
- 6 and I think it raised some important points.
- 7 That is, should there be some kind of restriction on the
- 8 use of generic rulemaking as a device for taking issues out of
- 9 individual licensing proceedings when the issue had already
- 10 started in the individual licensing proceeding and the generic
- 11 rulemaking comes after the fact.
- So as the Commission always wants to do when it sets new
- 13 safety standards, it ought to be considered, if not adopted as
- 14 a rule, that if you're going to do generic rulemaking, you
- 15 grandfather every case in which the issue has already been
- 16 raised and let that go to conclusion in the individual case.
- 17 If the generic rulemaking is completed before that case
- 18 is completed, then you might put in place a process by which
- 19 you blend the generic rulemaking with the individual action,
- 20 but there ought to be -- I think Larry mentioned there is a
- 21 fairly high standard for interfering with the decision made in

- 1 the generic rulemaking in an individual case, if you meet a
- 2 high standard.
- I would say if you've got a case that's already ongoing
- 4 and a generic rulemaking concludes, the high standard is
- 5 automatically deemed met and the licensing board considers
- 6 equally the resolution of the matter in the generic process,
- 7 informed by whatever additional evidence got developed in the
- 8 individual case.
- 9 At least if you grandfather, I think it takes care of
- 10 some of the concern that the process is being used to avoid
- 11 the tough questions.
- 12 Ultimately, on some of them, the Commission can follow
- 13 what I think would be a procedurally acceptable approach and
- 14 then it's just a matter of a legal dispute that you have to
- 15 take to court; could they legally take this issue away from
- 16 individual cases that are decided in this way.
- 17 That's what I think is kind of the history of it.
- 18 CAMERON: Thank you, Tony. It does -- you have put one
- 19 suggestion for how to deal with perhaps what people view as
- 20 the most egregious use of this mechanism.
- 21 I really want to make sure that we start on another issue

- 1 before 10:00. So what I would suggest is we take the cards
- 2 that are up and if the people who do have their cards up, I'd
- 3 like to hear some comment, and particularly from Larry and Joe
- 4 perhaps, on Tony's suggestion on the feasibility of that, if
- 5 you want to say anything.
- 6 Let's go to Jay, and then Bob, and then over to George.
- 7 Jay?
- 8 SILBERG: First, on Jim's point that putting issues into
- 9 the generic hopper, somehow this affects individuals because
- 10 they don't know that their particular neighborhood plant will
- 11 be affected, I think would cut the legs out from under the
- 12 whole generic process.
- 13 By definition, any issue that's going to be dealt with on
- 14 a nationwide basis generically is going to affect everyone and
- 15 if somehow we exclude people whose neighborhoods or
- 16 neighborhood plant or neighborhood licensed activity is not
- 17 yet known to be in the group that's going to be affected, you
- 18 do weigh what the whole possibility of generic solutions.
- 19 If we have a situation, if we have a scheme which allows
- 20 for generic treatment, by definition, some people will not
- 21 know that it will apply to them, because generic solutions

- 1 tend to last for long periods of time. There may be people
- 2 yet unborn, there may be nuclear plants or activities yet
- 3 unborn who will be affected by generic solutions, and if you
- 4 adopt the view that somehow you can't apply those generic
- 5 solutions in individual cases because those individuals didn't
- 6 know that they were going to be directly affected, you might
- 7 as well get rid of generic solutions completely.
- 8 I think you can make the same comment about national
- 9 legislation. Any national legislation that establishes
- 10 standards that are going to govern everyone is subject to the
- 11 same argument and either we have nationwide or generic
- 12 solutions or we don't, and I think the benefits of having them
- 13 far outweigh the detriments.
- 14 There are going to be people on both sides who may not
- 15 know they're affected. There may be people who will be
- 16 applicants who don't know they're applicants at the time a
- 17 generic rule is adopted, and they're just as harmed, if you
- 18 will, as the citizens who don't know that their local licensed
- 19 activity is going to be affected.
- In terms of Tony's comment on grandfathering individual
- 21 cases where an issue is raised, I think the law is pretty

- 1 clear on that and I think it goes back as far as Ecology
- 2 Action, 2nd Circuit decision in 1972, in the NRC arena.
- I think there is a lot of case history on retroactive
- 4 legislation. I think there's a lot of case history on
- 5 retroactive rulemaking. The idea that you would be
- 6 grandfathered, I think, again, cuts the legs out of generic
- 7 rulemaking.
- 8 I'm not sure how Tony would react if an individual case
- 9 were grandfathered and it turned out that the resolution in
- 10 that case were significantly more beneficial to the applicant
- 11 than the generic solution. I doubt Tony would let the
- 12 applicant get away with having, if you will, a less
- 13 restrictive rule applied to it because it happened to prevail
- 14 that way in a site-specific case, and it can't be a one-way
- 15 street.
- If a generic determination is safe, meets the reasonable
- 17 assurance standard or meets the NEPA standard, then that ought
- 18 to be good enough for everybody, whether it was started in the
- 19 generic proceeding or not, and there are lots of reasons why
- 20 you start -- issues come up in generic proceedings that may
- 21 be, as it was in the case of some of the spent fuel storage

- 1 casks, that the generic licensing had not yet been completed,
- 2 the utility had to get on with the process.
- 3 They started a site-specific process. The rule was
- 4 eventually issued and they converted from the site-specific to
- 5 the general; perfectly reasonable use of a regulation.
- To say that you can't move from one category to another
- 7 seems to turn the licensing process upside down, if you will,
- 8 and I think it will significantly reduce the utility of
- 9 rulemaking in general and generic solutions in particular.
- 10 CAMERON: Thanks, Jay. I'm sorry that -- I'm going to
- 11 take these cards that are up and then we're going to move on
- 12 to the next topic.
- 13 SILBERG: Let me just add one more on the S3. I don't
- 14 know GESMO as well as S3, but the Commission, I think it's not
- 15 quite accurate to say that the Commission took the issue out
- 16 of individual hearings and didn't resolve it. They did an
- 17 interim rule in 1976 when the issue first was given generic
- 18 treatment. Then they did a final rule.
- 19 In taking the long-term issue off the table, the waste
- 20 confidence rule that wasn't a political decision, there was a
- 21 very long intensive rulemaking, with massive submittals by all

- 1 parties, including lots of intervenor participation, and
- 2 decisions were made. You may disagree with those decisions.
- 3 We disagree with a lot of decisions the Commission makes in
- 4 rulemaking.
- But there was a rule, there was a process, and nobody
- 6 challenged the result in court. If people are unhappy, there
- 7 is a forum to go to and there are lots of reasons why people
- 8 choose not to appeal various decisions in court.
- 9 But that is where it ought to be fought and I think to
- 10 say now that the decision was garbage, when those who now say
- 11 it was garbage chose not to appeal it, I think, is after the
- 12 fact and sour grapes.
- 13 CAMERON: Thank you. I guess let's go to Bob and then
- 14 George and then finish off on this. I'm sorry that I need to
- 15 do that.
- 16 RICCIO: I'm not going to let -- the generic process that
- 17 you talk about with the dry casks now has given us basically
- 18 exploding casks on the shores of Lake Michigan. So if that's
- 19 a proper process and it is a good outcome, you have hydrogen
- 20 bursts occurring in dry casks that came out of that generic
- 21 process.

- 1 So if that's a proper process and it reaches a sound
- 2 conclusion, I think we're all in trouble.
- 3 CAMERON: Let's go to Bob. Bob Backus.
- 4 BACKUS: I think the logic for generic treatment of
- 5 certain issues is unassailable. Nuclear waste in Diablo is
- 6 the same as nuclear waste in Seabrook and so forth and generic
- 7 treatment of that, though we may not like it, it's awfully
- 8 hard to argue against it.
- 9 But this whole discussion shows that we need -- when
- 10 we're talking about hearing process, we cannot exclude the
- 11 generic process, because to the extent we acknowledge the
- 12 right to go to treat these issues generically, we have to look
- 13 at what is the process by which these issues get treated
- 14 generically.
- 15 And I would say if the intervenors think they have a hard
- 16 time in the adjudicatory process, and we do, the mountain is
- 17 twice as high in the generic process and the rulemaking
- 18 process.
- 19 I think the GAO did a study of rulemaking petitions and I
- 20 don't think any non-industry group has ever had a rulemaking
- 21 petition even acted on. I may be wrong, you'll tell me if I'm

- 1 wrong.
- I know the State of Maine at one time tried to initiate a
- 3 rulemaking to expand the emergency zone beyond the ten miles.
- 4 It never got anywhere. So there's a real sense of disparity
- 5 there and I would say if you want general acceptance, that
- 6 issues like nuclear waste are going to be moved off to be
- 7 handled generically, the Commission would have to go beyond
- 8 merely intervenor funding.
- 9 I think they would have to, as they do with licensing
- 10 proceedings, the mountain would have to come to Mohammed.
- 11 They have to go around the country. If there are not
- 12 intervenors, I think they should find them and create them to
- 13 deal with that.
- 14 So that there cannot be a legitimate claim, as Jay says,
- 15 it's just tough luck if you didn't know about it. I think the
- 16 Commission has got to go beyond just the notice in the Federal
- 17 Register. I mean, who reads the Federal Register for fun? It
- 18 doesn't have any pictures in it, for gosh sakes. And create
- 19 an extraordinary -- I think you have to go beyond the
- 20 ordinary, because after all, this is a unique agency, it's
- 21 dealing with a unique technology, with unique risks.

- 1 And if they want to have, as the industry clearly does,
- 2 many of these issues handled generically, you've got to go the
- 3 extra mile or three miles to create a process -- or nine miles
- 4 -- 26 miles, we'll make it a marathon -- and create a process
- 5 that really seeks out the intervention on this.
- 6 CAMERON: Thanks, Bob. I think that that point is noted
- 7 and the Commission is trying to go that extra mile in the
- 8 rulemaking area, too, and certainly there can be improvements
- 9 to that. But I think that the underlying philosophy that
- 10 we're talking about for hearing process also applies to other
- 11 types of regulatory interactions.
- 12 Final point to George.
- 13 EDGAR: I would really -- I have a real problem with the
- 14 notion that the agency's hands should be tied, their
- 15 discretion should be constrained in terms of their ability to
- 16 take issues from individual cases and put them in a generic
- 17 process.
- 18 That's precisely why the agency has that discretion. The
- 19 Supreme Court has upheld that discretion. The classic case is
- 20 ECCS. You have it being raised in nine individual cases. You
- 21 consolidate it, you put it into one proceeding, and you

- 1 resolve it.
- 2 If there is a timing issue, if you will, and if there is
- 3 some hardship engendered by that, that's what the waiver
- 4 doctrine is for. That's codified in NRC's regulations.
- If, for some reason, the rule wouldn't serve the purpose
- 6 for which it was adopted, then one can seek relief under the
- 7 waiver doctrine.
- 8 There is no need to build new structure to accommodate
- 9 that timing issue. It's in place.
- 10 CAMERON: Okay. Thanks, George. Before we take a break,
- 11 I at least want to start on a major issue and it is the third
- 12 issue down, which is proceedings. We heard yesterday
- 13 proceedings can be overly long and complicated, ascribed to at
- 14 least one -- one underlying cause is that the boards do not
- 15 exercise the control necessary over the case in terms of cross
- 16 examination.
- 17 I think Jay used the term endless, pointless cross
- 18 examination, discovery, many other things were pointed out
- 19 yesterday.
- 20 Alan was nice enough to talk about the fast formal
- 21 process that can be used, looking at case management. He

- 1 talked about the management of complex litigation, that Paul
- 2 teaches a course on.
- 3 Let's start on this issue. I guess that in deference to
- 4 a guest, I would just ask if Alan has anything to say in
- 5 addition to what he said yesterday on this particular issue.
- 6 HEIFETZ: I think the only thing that I would suggest is
- 7 if there are particular problems that you have with the
- 8 process, those need to be articulated so that they can be
- 9 addressed. What I tried to do yesterday was just give you a
- 10 brief idea of how you can go from one type of proceeding to
- 11 another, collapse timeframes, engage in case management
- 12 techniques, but I don't come away from the workshop so far
- 13 understanding exactly what it is about the NRC process that
- 14 makes things so slow.
- 15 If I had more of an idea of what you were talking about
- 16 that stretched something out to a number of years, I could
- 17 respond to any questions that you have and any suggested
- 18 solutions. But I can't do it without knowing exactly what is
- 19 taking so long and I'm here to respond to anything that you
- 20 have, but I don't have generic suggestions at this point.
- 21 CAMERON: Thanks, Alan. I think that's sort of a perfect

- 1 introduction to this session. I would just call everybody's
- 2 attention again to Tony Roisman's suggestion yesterday that
- 3 particularly on this particular problem, is that there needs
- 4 to be a more in-depth, careful evaluation of actual cases to
- 5 identify what problems have resulted and why.
- 6 Some of the problems that we heard raised yesterday, we
- 7 heard sort of a conflicting story about why that particular
- 8 problem resulted, and perhaps this evaluation might help in
- 9 that regard.
- 10 But in response to what Alan -- the question he put to
- 11 the group, does anybody have anything to say on that? Joe?
- 12 GRAY: I guess I would just reiterate your question.
- 13 Twenty years ago and up through the mid '90s, there were
- 14 various examples of protracted proceedings.
- More recently, to some extent, at the Commission's
- 16 urging, the presiding officers, licensing boards, have
- 17 utilized many techniques to control proceedings.
- I guess my question is what is the more -- what are the
- 19 views on the more recent history with a lot of these
- 20 techniques being used. Is the thought that there's still
- 21 unnecessary delay and protracted proceedings, despite these

- 1 controls? And if so, what additional control techniques would
- 2 people suggest that might address the problem.
- 3 CAMERON: Thanks for that articulation from the NRC
- 4 infrastructure, so to speak, of what Alan was asking.
- 5 Responses to Joe and Alan on this one? Let's go to Edgar, and
- 6 then over to Dave.
- 7 EDGAR: I think the recent history is positive, the
- 8 policy statement, direction the Commission has given, the way
- 9 it's been carried out by licensing boards, but most
- 10 significantly, the continuing Commission oversight, the
- 11 intrusive role of the Commission in managing or at least
- 12 overseeing the process is crucial.
- 13 I would suggest that the mechanisms for control of the
- 14 hearing process are well understood within the Commission and
- 15 by the licensing boards. Judge, you asked a question, what's
- 16 different about the NRC, is there something different, and the
- 17 answer is yes.
- 18 As distinct from other agency proceedings, the degree of
- 19 polarization in an NRC proceeding amongst the parties is
- 20 generally higher than in most decision-making proceedings.
- 21 It tends to be a yes/no. That's not true in all cases.

- 1 There are many cases in which we've participated in which the
- 2 parties aren't that far apart. There are ways for cooperation
- 3 or for people to adopt a common mission of getting through the
- 4 proceeding.
- 5 But it's only fair to recognize that there is a high
- 6 degree of polarization. I don't know whether you sensed it
- 7 from some of the debate here.
- 8 That's not to say that's good or bad. That's the
- 9 reality. I mean, that's what it is and it doesn't tend to
- 10 create a process where you're going to get a predictable
- 11 managed result.
- 12 CAMERON: I guess that's the -- what are the implications
- 13 of polarization in terms of the need for more effective case
- 14 management, is the question. Does that lead to more abuses or
- 15 even, not terming it abuses, does that lead to more delay, et
- 16 cetera, et cetera? Just a question to think about.
- Dave, let's go to you and then over to Tony.
- 18 LASHWAY: Obviously, our experience lies primarily in the
- 19 materials licensee context and I'm sure Tony Thompson, as he
- 20 indicated to me last night, commented yesterday on the less
- 21 risk involved with materials licensees.

- But certainly the informal process that I've been a part
- 2 of on behalf of various licensees, including Hydro Resources,
- 3 has been a very interesting one from an administrative law
- 4 context, in that while we certainly, as licensees, are happy
- 5 about engaging in an informal process, an iterative process,
- 6 and we welcome Commission oversight readily, the process, at
- 7 least in the HRI context, as well as in the international
- 8 uranium context and I can also say in the ATWS context, has
- 9 been one that has been drawn out and has indeed lacked
- 10 structure.
- 11 The kind of a chart we put together the other day
- 12 reflecting the HRI process shows that more than 70 briefs were
- 13 filed over the course of a year in the HRI proceeding.
- 14 Unlimited reply briefs were filed by the intervenors. Every
- 15 decision of the presiding officer, both procedural and
- 16 substantive, were appealed to the Commission and, in fact,
- 17 were subsequently appealed to the DC Circuit Court of Appeals.
- We now, in the HRI proceeding, for example, have two
- 19 cases pending in the DC Circuit. The DC Circuit recently
- 20 issued an opinion dismissing one of the cases and has
- 21 requested the intervenors to show cause why they shouldn't be

- 1 sanctioned for abusing the process.
- 2 This type of proceeding certainly does not fulfill the
- 3 goals that we have kind of outlined or you have roughly
- 4 sketched and we discussed earlier, nor any of the goals in the
- 5 policy statements.
- So as a licensee, it's difficult for us to move forward
- 7 and have faith in the process, that we can come to the agency,
- 8 receive a license and move forward, and give the process
- 9 that's due and then move on, and that has resulted in some
- 10 concern not only from HRI, from IUC and ATWS, but all uranium
- 11 licensees and the recovery industry generally.
- 12 CAMERON: David, let me ask you a question at this point.
- 13 What would your solution be to some of those -- I'll just use
- 14 the term excesses at this point. Perhaps they were things
- 15 that were a matter of right for the -- afforded to someone.
- 16 How would you fix that? Are some of these fixable
- 17 through case management? Does the Commission need to change
- 18 its rules in subpart (1)? What's your solution?
- 19 LASHWAY: I think it's a difficult one and I think it
- 20 involves a variety of different factors.
- One factor that we have encountered is that under the

- 1 rules now, for example, a potential party can seek to
- 2 intervene both pre and post-licensing. That has raised some
- 3 difficulties for some of the licensees.
- 4 Unlimited reply, for example, the rules allow parties to
- 5 request for replies. And in our case, the presiding officer
- 6 was very willing to open up the record and allow all parties
- 7 unlimited reply.
- 8 So it is difficult to come up with some sort of generic
- 9 rule or generic recommendation. I think it would be wise to
- 10 look at a case by case basis and certainly, when you do so,
- 11 please do not skip the uranium recovery industry, because I
- 12 think some of the issues that we have confronted in our
- 13 hearings can certainly be useful and enlightening in the
- 14 broader context.
- We also have had to deal with this generic decision-
- 16 making issue with respect to not only the generic
- 17 environmental impact statement that exists with respect to the
- 18 uranium recovery industry and mill tailings, but also in the
- 19 context of performance-based licensing.
- The intervenors, for example, in the HRI proceeding have
- 21 attempted to challenge directly the performance-based

- 1 licensing approach by the agency in the agency proceeding, as
- 2 well as now at the DC Circuit. That has raised a whole slew
- 3 of issues, many of which we've begun to talk about here, but I
- 4 certainly recommend that you take a look at these cases and I
- 5 think it will become readily apparent after reading some of
- 6 these decisions and the briefs of the parties, what the major
- 7 issues are.
- 8 CAMERON: And I guess that based on what you said, that
- 9 there's still some -- there's a question of what could the
- 10 Commission -- what direction, in addition to the policy
- 11 statement, could the Commission give to the licensing boards
- 12 to exercise in their discretion to prevent or to mitigate some
- 13 of the things that you're talking about?
- We still haven't heard anything on that. Tony, do you
- 15 want to go ahead?
- 16 ROISMAN: If I heard that correctly, he seemed to be
- 17 saying what, at least in part, what I was saying, which is we
- 18 ought to study this, because nobody knows whether there's a
- 19 problem.
- 20 CAMERON: You think that just reaffirms the need for study.
- 21 ROISMAN: I think it would be a huge mistake to make

- 1 policy on the basis of anecdote. And with regard to the
- 2 underlying premise of the uranium recovery people that they're
- 3 are low risk, low consequences category, I would say the
- 4 magnitude of resistance that you're getting to your licensing
- 5 would suggest that you're wrong about that.
- 6 Somebody out there must think that you're either a high
- 7 risk or a high probability problem or else you wouldn't have
- 8 that kind of opposition to what you're doing.
- 9 So there's something going on. I mean, it's like a --
- 10 you know, when the canaries start dying in the coal mine, you
- 11 begin to think there may be gas down there. In this case,
- 12 you've got a number of people showing up with concerns.
- 13 But third, I think you seem to be suggesting that in the
- 14 informal hearing process, which I gather is what you've had,
- 15 that a licensing board chairman has felt that that process
- 16 requires him to be more lenient in terms of how he exercises
- 17 his discretion, which he has an enormous amount of, about
- 18 allowing reply briefs or allowing additional briefing and so
- 19 forth and so on.
- 20 And that seems to me to be a tradeoff that your industry
- 21 can make a choice about. If you want the tougher rules, and,

- 1 believe me, they are tougher when you're in the adjudicatory
- 2 hearing, come to the adjudicatory hearing process. The
- 3 hearing board chairmen that I'm familiar with use their
- 4 authority under 2.718 to really crack down, and you didn't get
- 5 to file reply briefs automatically and there were much tighter
- 6 time limits.
- 7 So it's kind of a tradeoff between the processes there
- 8 that I think -- but I think that your -- whatever your
- 9 experience has been, it's worth studying to find out where
- 10 does the problem lie. It doesn't sound like there's an
- 11 automatic answer. I assume your solution would not be
- 12 automatically preclude all reply briefs. You might be the
- 13 side wanting to file one once. And it can't be automatically
- 14 punish everyone who files a reply brief and then loses the
- 15 issue.
- So in the end, it's going to depend upon Paul and his
- 17 lawyers.
- 18 CAMERON: Time for the break.
- 19 [Recess.]
- 20 CAMERON: Just a couple of points, one from Judge
- 21 Heifetz, who had to go. Okay. He made the point to me that

- 1 the fact that there are delays, et cetera, et cetera, with the
- 2 "informal process" indicates to him that perhaps going to so-
- 3 called informal is not a panacea for particular problems. He
- 4 wanted me to put that on the record.
- I did put Dave on the spot a little bit about, well, what
- 6 contributes to these problems, what fixes would you come up
- 7 with. I just wanted to say, in that regard, it goes back to
- 8 Tony's point about doing an evaluation of these cases. I
- 9 think that the staff heard about three cases and I'm sure it's
- 10 not news to them, but three cases that might be put on the
- 11 list, ATLAS, HRI, International Uranium, put on the list to
- 12 take a look at, among others, to see what problems do those
- 13 evidence here; is indeed there a problem and how do you fix
- 14 that.
- 15 So we keep coming back to Tony's suggestion.
- 16 Larry, why don't we go -- you wanted to ask a question
- 17 and then we'll go to Jill. Go ahead.
- 18 CHANDLER: I did. And by the way, I guess we heard about
- 19 some other cases, I think people had mentioned LES, people
- 20 mentioned Vogtle, if we want to put those all into the pot for
- 21 consideration.

- But really a point of clarification, because we've been
- 2 dancing around an issue. We're here discussing whether
- 3 changes to our rules of practice, part two, in a very broad
- 4 sense, are appropriate. Jim has very clearly expressed his
- 5 reading of the SRM. To perhaps a lesser extent, others have,
- 6 as well, that it's sort of a preordained outcome to the
- 7 process, with the single objective.
- 8 But from -- if I could sort of, for our purposes, as we
- 9 go through this, if I could put maybe Ellen, Jay, Mike McGarry
- 10 conveniently left, George is here, and Dave on the spot, from
- 11 an industry perspective, am I hearing the concerns focusing
- 12 more on the type of process -- that is, a formal versus an
- 13 informal process, with a preference towards the formal because
- 14 it may be more manageable, or is it more literally a case
- 15 management issue? That is to say, irrespective of the
- 16 process, it boils down to case management concerns, for which
- 17 the parties, as well as, perhaps in some instances, the
- 18 presiding tribunal may have some responsibility.
- 19 CAMERON: I think that's within this agenda item that
- 20 we're on. So let's start with George and go to Ellen, Katie,
- 21 Dave, Jay.

- 1 CHANDLER: I'd start with Jay.
- 2 CAMERON: We'll start with George.
- 3 EDGAR: Larry, my answer to you would be it's both. It's
- 4 there are case management issues, but as I've previously
- 5 indicated, I think the Commission oversight policy statement,
- 6 the way the boards have adopted some of those suggestions,
- 7 have been encouraging, but there are some process issues that
- 8 you need to examine now.
- 9 I think there are some changes that you need to codify
- 10 now to build some permanence into that process. There are
- 11 elements of these proceedings that don't require and should
- 12 not require formal process. I would particularly urge
- 13 consideration of whether there should be any presumption on
- 14 cross examination, particularly on technical issues.
- 15 Certain types of cases should preserve that option, but
- 16 for the most part, that is not something that I would
- 17 establish presumption of having.
- 18 I think much of the discovery can be shortened and
- 19 controlled, if nothing else, through leveraging technology. I
- 20 think Mal Walker explained some of the things that have been
- 21 done in the waste area, but there is a great deal that can be

- 1 done there.
- I simply fail to see the need to continue with a trial
- 3 type process for licensing proceedings. I think there's a set
- 4 of things that need to be looked at. I've gone through most
- 5 of them yesterday, but the short answer to your question is
- 6 it's both implementation and it is structure of the process.
- 7 You should look at both.
- 8 CAMERON: Thanks, George. What we're going to do, we're
- 9 going to go to the rest of the people for their answers to
- 10 Larry's question. Then I want to give the rest of the panel
- 11 an opportunity to respond to what they heard. Ellen?
- 12 GINSBERG: Like George, I strongly believe it's both. I
- 13 think there are significant improvements that can be made in
- 14 the current process if greater case management was
- 15 implemented, but I also think there are aspects of the current
- 16 process that could be improved significantly.
- One of the issues that we are dealing with is the view
- 18 that -- or one of the views we're dealing with is that to
- 19 reach the technically and legally supportable, sound, correct
- 20 decision, it's not clear. In fact, we think trial type
- 21 adjudication is not necessary.

- 1 Maybe there are some features of it that should be
- 2 retained. I believe that a lot more can be done on the paper,
- 3 allowing full participation on the paper. I think there are
- 4 opportunities to get the views of the parties, all of the
- 5 parties, out on the table, but that the trial type trapping or
- 6 the typical things that we think of as a more formal process
- 7 aren't necessarily helpful to reaching that ultimately right,
- 8 correct, sound conclusion.
- 9 CAMERON: Katie?
- 10 SWEENEY: We're not advocating the elimination of subpart
- 11 (1). It has worked smoothly for industry in quite a few
- 12 cases. I think in the cases that we wrote down that have been
- 13 a problem, better case management would help resolve quite a
- 14 few of the issues there.
- 15 LASHWAY: I might just add, I think it's both. Again, I
- 16 think we're in agreement on that. But clearly subpart (1) has
- 17 been a terrific process for a variety of some of the materials
- 18 licensees.
- 19 But case management clearly has been the problem and I
- 20 think the tools are in the regulations now, as George pointed
- 21 out. For example, the Commission oversight and their ability

- 1 to intervene suasponte. The ability of a presiding officer to
- 2 bring in a technical expert, like they did in the HRI
- 3 proceeding, proved very useful with respect to ground water.
- 4 I think Judge Bloch knows more than he ever wanted to about
- 5 the West Water Canyon member aquifer in northern New Mexico,
- 6 10,000 pages filed on that issue.
- 7 So I think the tools are there and I just -- you know, I
- 8 recommend that they be used.
- 9 CAMERON: Ellen wants to add one thing. Go ahead.
- 10 GINSBERG: Small lapse. I just wanted to mention that
- 11 we've been talking about not just problems, but potential
- 12 solutions, and one of the potential solutions that I wanted to
- 13 identify is that the NRC has already implemented subpart (m)
- 14 and from my perspective, from the industry's perspective, that
- 15 provides a good model in which some of the concepts that we've
- 16 talked about here might be -- or a way that the concepts might
- 17 be used, broadened.
- 18 CAMERON: I guess the big question is when you would
- 19 apply those subpart -- the question is when -- we've heard a
- 20 lot of suggestions about changes, but when would -- what types
- 21 of proceedings, when should they apply, but we'll get to that.

- 1 I'm going to go to Jay and then we're going to go over to
- 2 Tony and Jill and --
- RICCIO: I'd like to go, so I can get out of here.
- 4 CAMERON: Okay.
- 5 RICCIO: Thanks, Larry. I'm not sure the NEI is going to
- 6 feel the same way when I get my hands on them. I just wanted
- 7 to say I asked this question yesterday to the industry.
- 8 Would be still willing to give away your rights to cross
- 9 examination and discovery if your clients are being asked to
- 10 take the hit, and I've yet to hear a response out of the
- 11 industry and I expect and I'll say that the answer is probably
- 12 no.
- 13 GINSBERG: Let me speak for myself here. The industry,
- 14 if there was a proposal to either eliminate or largely
- 15 restrict cross examination, I believe that the industry would
- 16 agree to that.
- 17 ROISMAN: In enforcement proceedings?
- 18 GINSBERG: I think enforcement proceedings need to be
- 19 characterized differently.
- 20 RICCIO: Because it's your rights that would be getting
- 21 circumscribed.

- 1 GINSBERG: No. I think there are a lot of individual
- 2 rights that are at issue in enforcement proceedings and they
- 3 are not necessarily the utility's.
- 4 RICCIO: The last point I wanted to make --
- 5 CAMERON: Tony? Tony, we won't let your comment go
- 6 unsaid, but let's just try to keep it a little bit organized.
- 7 RICCIO: The last comment I wanted to make, you actually
- 8 raised the question in the original agenda as to whether it
- 9 was appropriate to circumscribe the public's rights in the
- 10 review of Yucca Mountain.
- 11 CAMERON: I don't -- just for the record, it wasn't
- 12 phrased like that.
- 13 RICCIO: No, it wasn't phrased like that, but that's the
- 14 gist of it. Other alternative means of having a hearing.
- 15 Check out footnote seven, you've already promised the public a
- 16 formal hearing. We're going to hold you to that promise,
- 17 although apparently the industry's memory is lapsing again as
- 18 to the promises that were cut back in the '80s.
- 19 It was a pleasure discussing these issues with you all
- 20 and I'm sure we'll see you around campus.
- 21 CAMERON: Okay. Jim, thank you for being here on the

- 1 high level waste licensing proceeding issue that was flagged
- 2 in the agenda.
- 3 Mal Murphy had some words to say on that when he comes
- 4 back, and I'm sorry that he is not here now to sort of follow-
- 5 up on what you said.
- 6 RICCIO: It's in footnote seven, on the SECY paper that
- 7 was on the web site. I don't believe it's in the packet.
- 8 CAMERON: Yes, okay. I understand what you're saying
- 9 about the SECY paper. All right. Jay?
- 10 SILBERG: I think it's both. I've had a lot of
- 11 experience in the past two years with case management, as I
- 12 think it ought to be applied, and, Judge Bollwerk, if you'll
- 13 cover your ears so you won't blush, but --
- 14 BOLLWERK: I've been thinking about leaving this for a
- 15 while.
- 16 CAMERON: We have a booth in the back of the room that
- 17 you can listen.
- 18 SILBERG: We have had problems in that proceeding.
- 19 Frankly, they've been with the staff review in terms of
- 20 getting through an expeditious and effective process so far,
- 21 and we've yet to go to hearing. So I don't want to give the

- 1 judge my perpetual blessings, but I think he has run the case
- 2 as it should have been run. I think he has put tough time
- 3 restrictions on all parties.
- 4 I think he has limited discovery on all parties. He has
- 5 imposed the Rule 26, open discovery process, where we have
- 6 basically opened up a public document room and supposedly the
- 7 state has done the same.
- 8 I think the process so far has worked well. I think
- 9 there still are many areas in which cross examination is not
- 10 the best engine to get to a scientifically correct, sound,
- 11 technically supportable, et cetera, decision.
- 12 I've been in a lot of hearings in the past where the same
- 13 witness who was discredited in three prior proceedings was
- 14 allowed to step on the witness stand and put forth his
- 15 credentials and his statements and the board was willing to
- 16 let it in for what it's worth, even though we tried to strike
- 17 the testimony in advance, and he let it in for what it was
- 18 worth and it was worth nothing.
- 19 I think there are a lot of improvements that need to be
- 20 made. I think there are lots of areas where cross examination
- 21 -- the winner in cross examination is the best lawyer and not

- 1 the soundest witness, and I think if a case where Tony is on
- 2 the other side will have a very different result than a case
- 3 where lawyer X is on the other side, because Tony is, frankly,
- 4 more skilled than lawyer X.
- 5 And I'm not sure that that's the way technical decisions
- 6 are best made. I think we really need to take a hard look at
- 7 that.
- 8 CAMERON: Thanks, Jay. Your last comment does get us to
- 9 an issue that we're going to discuss shortly, which is the
- 10 issue of making sure that the public litigant has the best
- 11 preparation for these particular -- it's the whole resource
- 12 issue. There's a number of those raised.
- 13 And I guess that we would want to add the phrase to
- 14 Bollwerk to our lexicon to mean to manage a case effectively.
- 15 BOLLWERK: Set me up for a fall.
- 16 CAMERON: Larry, do you have a quick clarification before
- 17 we go to Tony?
- 18 CHANDLER: Yes. Having asked the question earlier, Jay,
- 19 I understand the concerns that you've raised. In some cases,
- 20 it's staff review; in some cases, it's inadequacy of the
- 21 application that's submitted by the applicant, which underlies

- 1 issues; in some cases, case management types of concerns.
- Is there a preference that you see for a formal process
- 3 with appropriate case management or informal process which
- 4 doesn't have some of these ingrained at all?
- 5 SILBERG: If I could be assured that I would get a Judge
- 6 Bollwerk in all cases, I might be willing to take --
- 7 CHANDLER: I can assure you, you will not.
- 8 BOLLWERK: I can't do them all. That's right.
- 9 SILBERG: That's one of our problems that we worry. I
- 10 might be willing to take what I would view as the
- 11 disadvantages of a formal process, but since I can't guarantee
- 12 a Judge Bollwerk in all cases, that's one of the reasons why I
- 13 think you need to codify a lot of these procedures and move in
- 14 the direction of less formal approaches in many cases.
- 15 CAMERON: We still keep talking in sort of generalities
- 16 here, use less formal approaches in many cases. Maybe we can
- 17 put a finer point on what people believe on that.
- 18 But as sort of a question for Tony before -- in addition
- 19 to what he is going to say. Tony, what do you think when you
- 20 hear statements like Jay's about, well, we could live with a
- 21 formal process if we were guaranteed that we would have a

- 1 Judge Bollwerk? I mean, why can't we have more -- you made a
- 2 comment yesterday about let's bring back the advisory
- 3 committee on selection of judges. I mean, why can't we have
- 4 more Judge Bollwerks?
- 5 ROISMAN: Well, I've never had the pleasure of being in a
- 6 case in which Judge Bollwerk was involved, so I'm going to
- 7 make it non-personal, but my reaction to Jay's comment was
- 8 that this is outcome determinative and it has nothing to do
- 9 with anything substantive, and it only underscores the point,
- 10 the first point that I wanted to make, which is there is
- 11 absolutely not a shred of scientifically reliable, admissible
- 12 evidence that the Commission needs to do anything to change
- 13 its current hearing process in the direction that these
- 14 distinguished lawyers have recommended.
- 15 Each of them has a little anecdote to tell and when you
- 16 get to the root of their anecdote, it turns out some hearing
- 17 board chairman didn't do it the way they wished they would,
- 18 and I think Jay just put his finger on acknowledging that that
- 19 was really the case.
- Now, the hearing board chairmen have all the authority
- 21 they need to control adjudicatory hearings. If they didn't

- 1 have it in specific rules, they have it in 2.718. They can do
- 2 pretty much whatever they want and there's very little limits
- 3 on their power and when they choose to use it, they use it
- 4 effectively, and when they choose not to use it, that's also
- 5 effective.
- Now, the party who gets gored by that particular decision
- 7 always says, oh, we need to change the rules or we need
- 8 another judge or the case manager -- you heard Bob talking
- 9 about he didn't like some judges that showed up at Seabrook,
- 10 and now we hear the people talking about the judges that they
- 11 don't think are managing the mill tailing hearings properly,
- 12 et cetera, et cetera.
- I just think it just underscores that. We're talking
- 14 here about generic rulemaking and the Commission has a duty,
- 15 and I'm sure it will see to it that that duty is carried out,
- 16 to make sure that it doesn't begin to tinker with the system
- 17 until it has some hard evidence that, A, there's a problem
- 18 and, B, that it knows what the solutions to the problem are.
- 19 In that vein, I think it's important that two things be
- 20 done in order to make that record. One, don't just review the
- 21 cases that the industry tells you are the problem cases or,

- 1 for that matter, that the intervenors tell you are the problem
- 2 cases. Maybe more useful is to review the cases that
- 3 everybody thinks worked.
- 4 You heard George Edgar say the ECCS hearing was a good
- 5 example of a rulemaking that worked. I agree with you. It
- 6 was an adjudicatory rulemaking. It had cross examination of
- 7 scientific experts associated with it. It went on for a
- 8 while. It came to some important, interesting conclusions
- 9 that still remain the law in the agency today, and it involved
- 10 a huge amount of disclosure of internal documents of the
- 11 agency as part of that process.
- 12 And a lot of the cross examination was done by scientists
- 13 of scientists, a process which the Commission's rules have
- 14 long allowed, but is not used nearly as much as it could be,
- 15 partly because often, at least on the intervenor side, there
- 16 isn't a scientist available to them because of resource
- 17 limitations to do that type of examination.
- But regardless of the ECCS or any other, I think we
- 19 should look at the hearings that worked, as well as the ones
- 20 that didn't work and I think there should be a pretty broad
- 21 definition. What does worked mean? And really study this

- 1 question.
- 2 I remember at one time the licensing -- I think Atomic
- 3 Safety and Licensing Appeal Board addressed the question of
- 4 whether or not intervenors were of any use in the hearing
- 5 process in a case in Louisiana in the early '70s, as I
- 6 remember, and they wrote a rather ringing endorsement of and
- 7 gave some specific examples of why they thought the
- 8 intervenors were useful in the process and provided a useful
- 9 input.
- 10 That kind of historical review to find out when have the
- 11 boards ever commented upon this, because no one will know
- 12 better. In many ways, there's only one expert at this table --
- 13 that's Paul -- on these questions, because he sits there as
- 14 the hearing examiner listening to these different points of
- 15 view and seeing the case evolve in front of him.
- So he has a better sense of whether or not he's working
- 17 on a broken machine or whether he's driving a perfectly good
- 18 machine that sometimes runs into potholes like you do when you
- 19 drive on a rough road.
- 20 So the first point is broaden the scope of what kind of
- 21 cases you look at. Secondly, do it just like the engineers do

- 1 it when they look at nuclear events; look for root causes.
- 2 Don't look for the -- you know, it isn't automatically a
- 3 problem when there was cross examination in the case and the
- 4 case took four years and you could imagine that it should have
- 5 taken only one year.
- 6 Why did cross examination take that long? What was the
- 7 root cause of that? Was it because, as some people have said,
- 8 that the examination was repetitive and endless and went on
- 9 and on, and then was that because the hearing examiner wasn't
- 10 paying attention and he let it go on and on repetitively, or
- 11 was something else going on? Really find root causes. You've
- 12 got the records, it's not hard to do that.
- The second thing about this question of the adjudicatory
- 14 process. I want to be very, very clear that I believe that
- 15 the premise is not only insupportable, but, with all due
- 16 respect, anti-democratic to suggest that somehow or another
- 17 scientists can't be questioned in cross examination usefully.
- 18 First of all, we have an entire court system dictated by
- 19 the Constitution of the United States and every state in the
- 20 union that says that they can be. We have the Supreme Court
- 21 having just recently articulated, in the cases of Dalbert,

- 1 Cumho, and the Joyner cases, the idea that scientific
- 2 testimony in the Federal court system is an important
- 3 component of reaching decisions and subject to all kinds of
- 4 examinations and tests and so forth, and cross examination is
- 5 a piece of that.
- 6 There is nothing about the scientific question that
- 7 doesn't lend itself to cross examination. Is it bad when it's
- 8 bad cross? Sure. Is it better when it's good cross? You
- 9 bet.
- 10 You run a system in which you make sure one party has an
- 11 inadequate amount of resources and they are not likely to get
- 12 you the best examination and they're not likely to get the
- 13 best advice from technical people.
- I can tell you personally, in the Indian Point operating
- 15 license hearing in 1970, I spent a morning cross examining one
- 16 witness on the question of whether or not the droplet size of
- 17 the bisulfate, I think is the substance, spray that was to be
- 18 used in the event of an accident to control iodine releases in
- 19 a pressurized water reactor containment, whether the droplet
- 20 size would be the size that it was assumed it was going to be.
- 21 The size made a difference as to how much iodine it

- 1 absorbed. And at the end of the cross examination, the
- 2 witness, who was a staff person, came off the witness stand
- 3 and said to me, "That is absolutely the best cross examination
- 4 I have ever experienced." Since, of course, you were not
- 5 talking about the relevant point. The relevant point isn't
- 6 the droplet size. The relevant point is the effectiveness of
- 7 the filters.
- 8 Who knew? I could understand the droplet size. I didn't
- 9 understand the effectiveness of the filters issue at all. So
- 10 I spent the morning doing that, \$1,000 worth of expert
- 11 consulting would have solved that problem and I would have
- 12 spent much less time doing more useful cross examination.
- 13 So the fact that it was good, and I appreciate Jay's
- 14 compliment, didn't make it useful and it wasn't useful for the
- 15 hearing or anything else.
- But I believe cross examination inherently is a way of
- 17 getting at truth and is a valuable -- is a valuable tool.
- 18 The Commission shouldn't -- I don't mean that they
- 19 shouldn't abandon it casually. They shouldn't abandon it.
- 20 They should maintain it and it should be a part of the process
- 21 and licensing hearings should be absolutely continued with

- 1 that.
- 2 Discovery; suggestions on reducing the time necessary for
- 3 discovery, I've heard those. Mal talked about some things
- 4 that are being done in the waste project. Jay suggested that
- 5 there were things that were being done in one of his cases to
- 6 try to deal with that. I think those are excellent
- 7 suggestions and I think that they speed up the process and
- 8 that they are beneficial; easy, extensive, ready access to
- 9 documents.
- 10 But it has to be a total data dome. It can't simply be
- 11 all the documents, we don't care, you see. If there are
- 12 conflicts among the technical people for the utility or for
- 13 the staff, they should be aired. Why should it -- I mean, I
- 14 can't think of a logical reason why a legitimate conflict that
- 15 existed at the staff level or at the utility or between the
- 16 staff and the utility shouldn't get to the hearing board if
- 17 that dispute seems to be important to the public, but they
- 18 don't know that it's important because they don't know that it
- 19 exists unless the underlying documents are there.
- This process, this adjudicatory process has stood us in
- 21 great stead and I think it is an important test, very

- 1 important test of the bona fides of those who urge that it be
- 2 abandoned or limited in some way, that when they are
- 3 defendants in tort cases in court systems, they insist on
- 4 every one of these rights and we, as plaintiff lawyers, often
- 5 complain that they abuse the process, slow it down and make it
- 6 more expensive for us and use delay as a tool to try to keep
- 7 from getting a judgment.
- Now, I complain about it, but I've never proposed and
- 9 would not propose that the right be removed and I do what a
- 10 lot of you have suggested here; I go to the hearing board or,
- 11 in that case, the judge, and I say I want you to put some
- 12 controls on this, and sometimes they agree and sometimes they
- 13 don't, and I end up with months of discovery which should be
- 14 done in weeks and depositions of witnesses that go on for days
- 15 and days, when they should have gone on only for hours and
- 16 hours.
- But those rights, whenever you're the party who doesn't
- 18 want to see the outcome, those rights are very important to
- 19 you and it's not because they cause delay, it's because they
- 20 find information that helps you fight your battle and anything
- 21 short of that is inadequate.

- 1 CAMERON: Thank you, Tony. Before we go to Jill, who has
- 2 been waiting patiently, and I think Mal wants to play off one
- 3 of your comments, I want to specifically ask the people around
- 4 the table for -- to try to close on this.
- 5 Tony has made a suggestion earlier, and a number of us
- 6 have talked about -- a number of you have talked about it,
- 7 about an evaluation of the cases to find out is there a
- 8 problem, what is the problem, and he made a couple of
- 9 suggestions right here in terms of looking for root causes
- 10 and, of course, what do you review these cases against in
- 11 terms of to decide what worked or what didn't work.
- 12 And yesterday he suggested going to the -- one of the
- 13 performance objectives that the NRC has, substantive
- 14 soundness. I would think that maybe the work that we did on
- 15 the objective statement or, for shorthand, it's the "NRC
- 16 should" now, but maybe that statement could be used as sort of
- 17 the litmus test to examine this question.
- 18 But what I want to know from people is there is a
- 19 process, a methodology suggestion to try to get answers on the
- 20 floor, and I want to know what people think about that in
- 21 terms of recommendations to the NRC on whether that is

- 1 something that should be pursued.
- With that, I'm going to go to Jill and then Mal.
- 3 ZAMEK: Do I respond to that?
- 4 CAMERON: No. Whatever you wanted to say. I know you've
- 5 been waiting.
- 6 ZAMEK: I would like to respond to Dave's example and he
- 7 perceives that case you're referring to as low risk, but I
- 8 want to point out that the intervenors clearly perceived it
- 9 otherwise and if maybe not high risk to themselves personally,
- 10 perhaps to the environment and the water, the ground water, et
- 11 cetera.
- But because of their powerful beliefs and their really
- 13 powerless situation, because speaking from an intervenor's
- 14 point of view, we're desperate and we do whatever it takes to
- 15 attempt to get our point across.
- I think that intervenor funding would really eliminate so
- 17 many of these problems, because if we had good counsel and we
- 18 had witnesses, we wouldn't have to do, like Tony was saying,
- 19 that extensive cross examination and the piles of paperwork
- 20 that we have to do in an attempt to accomplish what we want,
- 21 but don't have the resources to finance.

- 1 So I strongly believe that we should maintain the formal
- 2 hearings, with the discovery and with cross examination, but
- 3 we need the funding in order for this to be an effective
- 4 process.
- 5 CAMERON: Thanks, Jill. And let me take this opportunity
- 6 to point out that there is a whole suite of issues, so to
- 7 speak, on page two and three of this problem sheet that I want
- 8 to get to soon, so that we can have a good discussion of that,
- 9 because I think it deserves a good discussion and it raises
- 10 the -- you know, Jill's comments were reflective of those.
- 11 Let's go to Mal and then let's go over to -- we'll go to
- 12 Jay, Dave, George, and then we'll come back over to Jeff and
- 13 Paul.
- 14 MURPHY: Thanks, Chip. I do have a couple of quick
- 15 points and I did want to play off of something that Tony
- 16 mentioned, and that is that access, the facilitating discovery
- 17 and access to documents.
- 18 Again, I urge everybody who is not familiar with it to
- 19 take a look at subpart (j) in that respect. On the question
- 20 of whether or not it should be a complete data dump, and you
- 21 can argue about what data is really needed, et cetera, but on

- 1 that question, under subpart (j) and in the high level waste
- 2 licensing proceedings, we have an LSN, licensing support
- 3 network administrator, for example, who works in the next
- 4 building, works for Paul, who is essentially in charge of
- 5 making sure that everybody who wants to participate in the
- 6 licensing proceeding complies with the requirements for
- 7 document discovery and for loading up their web site and
- 8 making sure it's accessible to the public on an easy basis, et
- 9 cetera.
- 10 There will be disputes over whether or not the Department
- 11 of Energy or the NRC staff, for example, has placed all of its
- 12 relevant or could lead to admissible evidence kind of
- 13 documents in the LSN and under the rule, the presiding officer
- 14 will decide those challenges. So that kind of mechanism, that
- 15 vehicle is in place in subpart (j) for the high level waste
- 16 proceeding.
- 17 And I have felt for years that assuming our system works
- 18 the way we intended it to work when we originally negotiated a
- 19 precursor to the current system, that it will eventually be
- 20 used in all NRC licensing proceedings or all complex,
- 21 complicated, significant ones.

- Obviously, you're not going to make every dentist put his
- 2 records in an LSN when he wants to reload his X-ray machine or
- 3 whatever the hell they do to get their -- but for serious
- 4 licensing cases, I think ultimately something like this will
- 5 ultimately be, will eventually be used, and I'd certainly urge
- 6 the Commission and everybody here at the table to look at that
- 7 and for the Commission to take a look at that to see if some
- 8 of the problems that some people have raised in the last day
- 9 couldn't be addressed by the use of something similar to
- 10 subpart (j) in reactor licensing or license renewals or the
- 11 uranium side of it, which I'm totally unfamiliar with, et
- 12 cetera.
- One other point that I want to associate myself with,
- 14 partly at least, with some of Tony's remarks. It's not only
- 15 important to an opponent in a licensing process. It's not
- 16 only important to someone who wants to get to know that all of
- 17 this whole panoply of protections, if you will, cross
- 18 examination, complete document discovery, motions practice, et
- 19 cetera, are available. I'm suggesting strongly that for a
- 20 neutral party, such as Nye County, that is also very important
- 21 because we have been telling and the NRC staff has been

- 1 telling and the Department of Energy has been telling the
- 2 public in the State of Nevada, and I speak only on behalf of
- 3 the folks who live in Nye County and whose government is
- 4 officially neutral, for years, that Yucca Mountain will not
- 5 become a repository unless and until the NRC grants it a
- 6 license or a construction authorization or however you want to
- 7 phrase it, after a full trial type exposition of all of the
- 8 technical and scientific issues.
- 9 So that the people in my area, whether opposed to the
- 10 repository or in support of the repository, view the
- 11 Department of Energy as on a mission to characterize the site
- 12 and if it's adequate, to then build a repository there.
- 13 But they have been -- the message they have received from
- 14 all parties, including us and the DOE and the NRC and
- 15 everybody else is that the mission of the NRC in the high
- 16 level waste process is to arrive at the correct decision,
- 17 after a full, fair, and complete, transparent exposition of
- 18 all of the technical issues.
- 19 So from my point of view, it's not only important to the
- 20 utility industry that DOE be able to succeed in the high level
- 21 waste repository, so they have someplace to place their excess

- 1 material. I don't even like the word waste. And it's not
- 2 only important to DOE that it be able to state its case. I
- 3 think it's -- and the State of Nevada to be able to fully
- 4 oppose the repository. It's important to a neutral party that
- 5 not only do we -- and we'll have some issues -- not only are
- 6 we able to litigate our issues, but that our public is
- 7 satisfied that the correct decision has been made or at least
- 8 there has been a legitimate, serious, good faith, good-hearted
- 9 attempt to arrive at a correct decision after all of the
- 10 issues have been fully litigated.
- 11 CAMERON: So just to put a finer point on that and maybe
- 12 you already did, it's pretty clear that in terms of the issue
- 13 of the -- since we had a comment on that -- the issue of
- 14 making the high level waste licensing proceeding informal,
- 15 whatever that means, what would your views be on that?
- MURPHY: In this context, I hate that word informal, but
- 17 I don't think -- we'd have to see. I mean, the devil is in
- 18 the details, obviously. I don't personally have any objection
- 19 to making some changes to the licensing process. Obviously,
- 20 everything can be improved or at least subject to examination
- 21 in that regard.

- But I think whatever is done, and I read, incidentally,
- 2 the SRM not to foreclose at least the high level waste process
- 3 licensing and reactor licensing or whatever, I read the SRM as
- 4 indicating that the Commission wants flexibility in order to
- 5 somewhat relax or make less rigid some of their licensing
- 6 hearings, but not necessarily to apply that to every case
- 7 before it.
- 8 But certainly I think some improvements can be made, but
- 9 the basic -- the historical, fundamental attributes of a full
- 10 adjudicative process in which all parties get a chance to air
- 11 in a meaningful way their concerns and to present their
- 12 evidence and to test the views and the evidence of the other
- 13 parties should be retained; that is, discovery and I think
- 14 we've got a pretty good handle on that with the licensing
- 15 support network. The right to present evidence orally and in
- 16 writing and certainly written expert direct testimony is the
- 17 way to go.
- I mean, it would be silly to do it in any other way, I
- 19 would think, and the right to cross examine witnesses, make
- 20 motions, present arguments, et cetera.
- 21 As long as those basic attributes of a fundamental

- 1 adjudicatory process are retained, how you massage the margins
- 2 to make the system more efficient, I think, is not that
- 3 important and I don't think it's all that important to the
- 4 public.
- 5 And with respect to cross examination, let me just close
- 6 with this one thought. I've never met a scientist, and I've
- 7 worked with lots of them and I've cross examined lots of them
- 8 and we've got lots of them working for us now and they all
- 9 just have nightmares about being cross examined by lawyers in
- 10 proceedings, even though some of them make a pretty decent
- 11 living doing it.
- But cross examination has, from the days of Galileo, been
- 13 a fundamental attribute of the scientific method. Every one
- 14 of these people, I mean, that's what scientific peer review
- 15 is, for crying out loud. They get together in a room and
- 16 sometimes they can be as mean and nasty and insulting to each
- 17 other, you wouldn't believe it.
- 18 I've sat in on scientific peer reviews, sort of in the
- 19 back row, and I think, good God almighty, I thought lawyers
- 20 were bad to each other, these people are just outrageous.
- 21 CAMERON: That's a positive statement.

- 1 MURPHY: Every scientific article that's published in the
- 2 peer review journal has, in effect, been subject to cross
- 3 examination. Every scientist in the country, at least who has
- 4 a Ph.D. or a master's degree from some legitimate educational
- 5 institution, has been cross examined by a bunch of smart
- 6 professors.
- 7 My father-in-law ran the air pollution control Ph.D.
- 8 program at Oregon State University and that was one of the
- 9 more fun things he did in his life, was make life really
- 10 miserable for his Ph.D. students when they had to defend their
- 11 thesis. Well, what is that? It's cross examination, because
- 12 that's the way the scientists have for years, for centuries,
- 13 determined as a way to test the validity of the theories and
- 14 analyses that they're advancing.
- 15 Why in the world that shouldn't apply in something like a
- 16 reactor licensing case or repository licensing case or any
- 17 other complex case involving these kind of scientific or
- 18 technical issues is beyond me. And why these people get
- 19 nervous about it, I don't understand.
- 20 But clearly, I mean, by allowing cross examination in the
- 21 licensing process, it seems to me all we're doing is extending

- 1 the scientific method, in any case.
- 2 CAMERON: Thanks, Mal. What I'd like to do now is go to
- 3 finish off the cards that are up, so that we can move on to
- 4 these other important issues, and go around this way, starting
- 5 with Jay, and if you could, I would like to hear opinions
- 6 about the suggestion about the systematic evaluation of cases
- 7 to find out what exactly the problems are here as opposed to
- 8 what has been referred to as an anecdotal approach.
- 9 Jay, go ahead.
- 10 SILBERG: First, I like Mal's formulation of full, fair,
- 11 complete, transparent analysis to arrive at the correct
- 12 decision. I guess the problem I have is that we're adopting
- 13 one particular paradigm to do that and I think I do disagree
- 14 with you that adjudicatory, legal cross examination is the
- 15 only or the best way to do it.
- 16 The fact that you have scientific peer review, we, in
- 17 fact, do design technical projects using the scientific
- 18 method. We built the space shuttle with scientific peer
- 19 review and not with lawyers cross examining the witnesses.
- 20 We developed the internet not with lawyers cross
- 21 examining scientific witnesses, but with scientific peer

- 1 review. It seems to me that a system that is more shaped by
- 2 the scientists debating rather than the lawyers debating is
- 3 probably one which is more likely to arrive at the truth, and
- 4 I think that is the system that by and large exists today
- 5 outside of the hearing process.
- I would hope that the more of that we would get to, the
- 7 better we would be. I don't think that the legal cross
- 8 examination is necessarily identical to or even as good as the
- 9 scientific system that you described.
- 10 In terms of whether we need an objective third-party
- 11 approach instead of anecdotal, I think what you're going to
- 12 come back with is anecdotal anyway, because what we're doing
- 13 is looking at a series of case studies or a series of
- 14 anecdotes and I think that the folks that will be looking at
- 15 this process certainly within the Commission have been through
- 16 these hearings and they have collected, if you will, the
- 17 anecdotes from all the hearings, the good ones and the bad
- 18 ones, the ones that worked and the ones that didn't work.
- 19 And I don't have a problem if Joe and Larry and their
- 20 minions put together that in a more formal way. I think to go
- 21 outside and to charter an academic body or the National

- 1 Association of -- National Academy of Public Administration or
- 2 somebody like that to do it, will put this whole process into
- 3 dead storage for an extended period of time and I think we
- 4 will miss the opportunity that we talked about early on to
- 5 look at this issue during a window, and we may actually have
- 6 some time before we get deluged with another round of
- 7 hearings.
- If we can cure the problems, whatever they may be and
- 9 however they're described, when there aren't a lot of hearings
- 10 out on the table, I think we're better off than putting this
- 11 off into a -- for several years while someone goes off and
- 12 does a wonderful academic study.
- 13 One thing I would like to get into, because I'm going to have
- 14 to leave in a little while, is the intervenor funding issue.
- 15 CAMERON: And I specifically want you to be here for that
- 16 and I would like to do it all at one time. Can you just hold
- 17 that for a couple of minutes and let's see if we can get
- 18 through this and then we can --
- 19 MURPHY: Let me just respond to a couple of things Jay
- 20 said, because he was responding to me. The big --
- 21 CAMERON: And is he going to have to respond?

- 1 MURPHY: No. This is going to be real short. No
- 2 surrebuttal. I get to manage this case.
- 3 CAMERON: Okay. Go ahead, Mal.
- 4 MURPHY: The big difference, the essential difference
- 5 between scientific peer review and what I refer to with cross
- 6 examination, of course, is that one of them is done behind
- 7 closed doors and the other is done in the open, and available
- 8 at least to be reported in the press.
- 9 Secondly, you mentioned being -- you don't think lawyers
- 10 questioning scientists adds that much to the process. Would
- 11 it make you feel more comfortable if your hydrologist was
- 12 questioned by my hydrologist rather than by the lawyer?
- 13 Because that's possible.
- I can guarantee you, Jay, you've worked with enough of
- 15 them yourself, if you want to unduly prolong this or any other
- 16 licensing proceeding, you have the scientists question the
- 17 other scientists on the witness stand. It will never end.
- 18 The questioning will be interminable.
- 19 SILBERG: That's what we do in the review process before
- 20 you get to hearing.
- 21 MURPHY: Well, you still have to do some of it in the

- 1 light of day. And even under the NRC rules, there's nothing
- 2 that says -- we don't have a complete monopoly on this
- 3 process, as we lawyers have been able to maintain in others.
- 4 There is nothing in the NRC rules that would prohibit --
- 5 CHANDLER: It's explicitly provided.
- 6 MURPHY: Right, exactly. It's explicitly provided. But
- 7 if you want to see this thing go 15 years, you have the
- 8 scientists question each other during this process. It will
- 9 never end.
- 10 CAMERON: Thanks. Let's go to Dave or Katie, who wants
- 11 to talk?
- 12 LASHWAY: Just quickly. I think the logical approach
- 13 outlined by Tony and modified by Jay we would agree to.
- But let me add, Tony, that we are not in any way arguing
- 15 against the outcomes, the results from the presiding officers
- 16 in these various cases that we mentioned.
- 17 However, the actual practice and the management of the
- 18 cases during the course of proceedings has resulted in not
- 19 only great expense to the licensee, which could be -- which
- 20 was foreseen. So that's not the negative, in and of itself,
- 21 and the protracted litigation wasn't the negative, in and of

- 1 itself.
- 2 However, the legitimacy of the process was called into
- 3 question and that's difficult for the licensee. At the end of
- 4 the process, when the license is upheld or should the license
- 5 be upheld, if the process, if the legitimacy of the process is
- 6 questioned -- i.e., for example, in the HRI proceeding, the
- 7 judge was continually called biased in the press. Bias
- 8 assertions were made to the Commission, as well as the DC
- 9 Circuit.
- 10 Where does that leave the licensee? The licensee has
- 11 gone through this long process at great expense, but isn't
- 12 really sure or secure in the license, even though it's been
- 13 upheld, because the legitimacy of the process has been called
- 14 into question.
- 15 It's not a good position for NRC to be in, it's not a
- 16 good position for the licensee to be in, and the intervenors
- 17 who feel that they have not been given adequate or due process
- 18 can simply raise this legitimacy of the process.
- 19 So all we're trying to point out is we're not complaining
- 20 about certain judges, we're not saying this judge is better
- 21 than this judge, but what we are saying is that when managing

- 1 the process of the hearing, standardized tools, even in the
- 2 informal process, should be used universally to ensure that
- 3 when the process is complete, the process can be deemed
- 4 legitimate and so that there is faith in the institution and
- 5 that the licensee can rely upon the validity of the license to
- 6 go forward with the project without concerns about bias or
- 7 legitimacy of the process.
- 8 CAMERON: Thank you, Dave, and thanks for responding to
- 9 the suggestion to do the review of the cases.
- 10 We're going to go to Paul, and then Jeff, and then I
- 11 would like to kick off the suite of intervenor issues by going
- 12 to Jay. Then that will give us hopefully about a half hour to
- 13 discuss all of that before we finish. Paul?
- 14 BOLLWERK: I just want to say two things quickly. First,
- 15 in terms of case management, that's obviously a problem that I
- 16 have to deal with. I've only been in this job as a permanent
- 17 chief judge for three months, but it's something we're
- 18 beginning to address and the Commission has made it clear that
- 19 they expect the cases to be well managed, and so do I.
- 20 So that's something we're going to move forward on,
- 21 obviously, on a regular basis. We already are talking about

- 1 that quite a bit.
- 2 And it's an important thing. As I mentioned, I do teach
- 3 a course at the Judicial College where I talk about case
- 4 management and complex cases. So I understand fully the
- 5 concerns there and we need to deal with that.
- 6 The other thing I just wanted to mention briefly is the
- 7 informal process and the way it was put together, and since I
- 8 drafted that rule back ten years ago, I kind of know why it
- 9 was done the way it was. Some people like Marty Mulls can
- 10 probably speak to it as well who were involved with it.
- But when that was -- the idea there -- and I should also
- 12 mention that was an experiment. It was done ten years ago and
- 13 it probably is time to re-look at it. I would be the first
- 14 one to admit that.
- But the idea there was really to make two fundamental
- 16 distinctions between the formal process. One was to lower the
- 17 threshold, in many instances, the threshold for contentions.
- 18 There really is no threshold, other than if you have something
- 19 that relates to the proceeding.
- 20 Maybe that was going too far in terms of calling it
- 21 informal, but that was the idea. Allow the -- in theory, the

- 1 way the Commission had laid this out, these proceedings were
- 2 supposed to be less complicated, arguably, than what was going
- 3 on on the reactor area. They may not have turned out to be
- 4 that way and that's one of the things that needs to be looked
- 5 at.
- 6 The other idea was put into the rule and besides sort of
- 7 lowering the ability of folks to get in and participate in
- 8 terms of at least the issues that they brought forward, was
- 9 the idea that the presiding officer was given more
- 10 responsibility for developing the record.
- 11 There are two sides to that. One is the presiding
- 12 officer, obviously, to some degree, we do that now. We can
- 13 question witnesses even in the formal proceeding. But I think
- 14 there's some uncertainty among the board and the presiding
- 15 officers about how far they should go in that, even now, and
- 16 it's something we're particularly comfortable with. It's
- 17 something that we need to continue to look at.
- But if that's really what is wanted, then that's
- 19 something we're going to have to maybe take more of a role in,
- 20 depending on how the rule is written.
- 21 But right now, the parties, on a formal proceeding,

- 1 there's the general back and forth of the adversary process.
- 2 That informal rule was written to highlight something
- 3 different and maybe that hasn't quite come out the way it
- 4 should have.
- 5 Maybe that isn't something that should be in the rule.
- 6 That's something that maybe needs to be looked at in terms of
- 7 the whole informal process. So those were two things that I
- 8 would think we would kind of look at.
- 9 And someone talked about subpart (m). Subpart (m) does
- 10 have some of the informality, but, of course, one of the
- 11 things it does is raises the contention standard back up
- 12 again. Is that how you want the whole process to be played
- 13 through? I leave that obviously to you all to talk about.
- One other thing and we've sort of thrown this idea out on
- 15 the table, as part of the process at the Commission in terms
- 16 of the SECY paper is should there be a process whereby the
- 17 folks, whether it's the intervenors or the licensee, depending
- 18 on who is involved, they sort of choose the procedure they
- 19 want. If an intervenor doesn't have the money, can't do a
- 20 number of things, well, but they want to get their issues in,
- 21 want to get them heard by a neutral presiding officer, maybe

- 1 use an informal process with a lower threshold for
- 2 contentions.
- 3 They can come in and what they don't then have are all
- 4 the panoply of things that go with the formal process, which
- 5 includes discovery and cross examination, but nonetheless they
- 6 don't have the high threshold for contentions. That was an
- 7 idea that we had put on the table.
- Now, that has -- the devil is always in the details and
- 9 there's obviously -- that could affect different things
- 10 different ways in terms of who participates, but that may be
- 11 something you want to think about, again, as well.
- 12 Again, if folks really want to get into the process, but
- 13 they can't participate in terms of having experts, but they
- 14 want to have their issues heard, that may be one way to deal
- 15 with it.
- But there is a fundamental question, I think, about the
- 17 complexity of the cases and at least with the way the informal
- 18 process now works as to whether, for the really complex cases,
- 19 whether, putting aside the distinction between reactors and
- 20 materials, whether that is, I think, an appropriate dividing
- 21 line.

- One of the things we found, interestingly enough, in the
- 2 reactor operating license cases, which are informal, and you
- 3 would think, given their exam, they'd be the most -- when we
- 4 get into simulators, where you've got a number of people on a
- 5 floor saying who did what when, then we get into all kinds of
- 6 problems and you cannot cross examine an affidavit. You just
- 7 can't do it. All you get is more affidavits in and then
- 8 you're -- especially if you're getting into credibility
- 9 questions, who is telling the truth on these affidavits.
- 10 So, again, I would throw that on the floor as something
- 11 to think about, as well.
- 12 CAMERON: Okay. Thanks, Paul. I think that you raised
- 13 an issue that we're going to get into in about two minutes,
- 14 which is the threshold on contentions.
- 15 Let's finish this off with Jeff, so that we can get into
- 16 these other issues, and we'll see if we have time to go back
- 17 to Dave later.
- 18 LASHWAY: I just wanted to quickly add just one point.
- 19 With respect to the questions from the presiding officer, in
- 20 the subpart (1) context, we have found that incredibly useful.
- 21 Judge Bloch was very effective and efficient at using

- 1 questions to the various parties to get to the heart of the
- 2 various issues when they were complex issues; our medicine man
- 3 versus their medicine man, their hydrologist versus our
- 4 hydrologist.
- 5 And the going back and forth on the papers was very
- 6 difficult.
- 7 CAMERON: Thank you, Dave. Jeff?
- 8 LUBBERS: Just a few observations. I think it's very
- 9 important to encourage the judges, the presiding judges to
- 10 have fairly stiff backbone on these kinds of issues, whether
- 11 to admit evidence, whether to be sort of tough-minded on
- 12 limiting -- trying to put some limits on cross examination,
- 13 because it's always -- a judge will never be reversed for
- 14 letting in evidence, for the weight of the evidence. So
- 15 they're always going to have a tendency to sort of err on the
- 16 side of letting things in.
- 17 And if judges are not subject to performance appraisals
- 18 and performance evaluations, then you have to rely on the
- 19 chief to sort of keep some good standards there.
- 20 And for example, I've seen some administrative
- 21 proceedings with multi-parties where each lawyer representing

- 1 the varies parties or, in this case, intervenors, I guess, is
- 2 permitted to do his or her own cross examination of the
- 3 witness, and you get a lot of redundancy and repetition.
- 4 So, again, that's something that I think the Commission
- 5 would have to pay attention to, try to make sure the lead
- 6 attorneys are designated, if you have similar issues. And
- 7 here is a situation where intervenor funding might be helpful,
- 8 because if you fund intervenors, one of the conditions might
- 9 be that you try to organize yourselves in terms of lead
- 10 attorneys for cross examination purposes. That's point one.
- 11 Point two, with respect to the study that we've talked
- 12 about, again, it's too bad the administrative conference isn't
- 13 around to do this study, it sounds like a perfect study for
- 14 the old administrative conference to do.
- But we used to try to do some statistical studies on
- 16 agency cases and so I would hope that you have the resources
- 17 to go back into the files in selected or maybe all the cases
- 18 under subpart (g) and subpart (l) and various subparts, and
- 19 try to do an analysis of an elapsed time study; where are the
- 20 elapsed times in the pre-hearing, the hearing and the post-
- 21 hearing stages.

- 1 We came up with about 21 steps in a -- as a generic
- 2 timeline for administrative cases, seven in each of those
- 3 stages, and it can be very illuminating. You also have to
- 4 take into account sort of tolling of the case, for some
- 5 reason. You can't really count that the same way.
- 6 So I would hope that you can just assign somebody to do
- 7 such a study here at the NRC.
- 8 Third, we haven't talked at all about ADR and I would
- 9 hope that there is some way that some forms of alternative
- 10 dispute resolution, mediation techniques could be used to try
- 11 to settle issues or narrow the issues before the case gets to
- 12 hearing.
- 13 Fourth, we haven't talked much about the review by the
- 14 Commission; does the Commission review every case, is there
- 15 some sort of sertiari review procedure where the Commission
- 16 decides whether to take a case. The old Civil Aeronautics
- 17 Board had a rule that two out of five members had to want to
- 18 review the case before they would even take it up. So that if
- 19 only one member wanted to review the case, that wouldn't be
- 20 enough and the initial decision would be affirmed.
- 21 That may be an area where you could eliminate some delay

- 1 at the review stage.
- 2 Last is sort of an unrelated point. We've talked some
- 3 about scientific issues. I know that there are some issues
- 4 that have scientific review boards, scientific advisory
- 5 committees. EPA has one.
- 6 When you're dealing with an issue like renewals, you know
- 7 that there are going to be some issues coming down the pike
- 8 about deterioration of plants, some metal in the power plant,
- 9 at what rate does it deteriorate.
- 10 You can sort of project issues down the road that you may
- 11 be encountering as a prelude to generic rulemaking. I think
- 12 it might be useful for the NRC to consider the EPA model of
- 13 having a scientific advisory board to throw some of these
- 14 futuristic type questions for resolution before it gets caught
- 15 up in the individual case proceedings.
- 16 CAMERON: Thanks a lot, Jeff. We appreciate your outside
- 17 perspective, on this.
- 18 LUBBERS: Naive perspective.
- 19 CAMERON: I didn't say that. But thank you and also for
- 20 -- we do want to get to the suite of issues and a lot of them
- 21 thread to this intervenor funding issue and I think we have to

- 1 pay attention to that major set of issues before we adjourn
- 2 here today.
- 3 And let's start off with Jay and then go to Susan. Jay?
- 4 And we can -- I mean, fold whatever you want from that suite
- 5 of issues into your statement.
- 6 SILBERG: I don't want to take up all the time and I
- 7 think I could do that. Intervenor funding, I think, is a
- 8 basic issue that I thought was resolved a couple decades ago.
- 9 There are several models that one can adopt.
- 10 One is a model in which an independent agency is created
- 11 to make decisions, to review issues, grant or deny licenses,
- 12 set standards, and that those decisions, those actions by the
- 13 independent agency are subject to challenge.
- 14 There is another model, the common law model, people want
- 15 to do something and someone doesn't want it, you go to court.
- 16 There is no independent agency other than the court and the
- 17 court will decide.
- 18 Where the government has created a knowledgeable
- 19 independent agency to make those determinations, the idea of
- 20 establishing intervenor funding to create yet another level of
- 21 independent review seems to cut the heart out from the purpose

- 1 of having an independent agency in the first place.
- 2 We do have checks and balances. Do we need an
- 3 independent agency to check the independent agency? Do we
- 4 then need another independent agency to check the independent
- 5 agency that's checking the independent agency? And then do we
- 6 need to have fully funded intervenors who can check the
- 7 independent agency that's checking the independent agency
- 8 that's checking the independent agency?
- 9 At some point, we have to go with a system that we are
- 10 creating a body that is chartered to make the decision. If
- 11 people are unhappy with those decisions, they have a right to
- 12 challenge them. But does the government have an obligation,
- 13 in essence, to create a shadow agency, so that anyone who
- 14 wishes to challenge that determination, in essence, will
- 15 create a new mini agency, again, independent, to go through
- 16 the whole process again, because they didn't like the initial
- 17 result.
- It seems to me if you're going to go that route, we don't
- 19 need the NRC. We ought to let the applicants do whatever they
- 20 want and then if intervenors want to come in and maybe we
- 21 fully fund them as the check on the applicant.

- 1 But having set up one check and one balance, I don't know
- 2 where you stop. The idea that intervenors should be, quote,
- 3 fully funded, whatever that means, and that, in essence, the
- 4 applicants will have to pay not only for the NRC review, but
- 5 also for the intervenor's review, and then what if someone
- 6 wants to come in and support the application, the applicants
- 7 have to fund that review as well.
- 8 I simply don't know where you cut off the process and
- 9 philosophically, if we are to have agencies that are chartered
- 10 by the government to make these determinations, the idea that
- 11 there ought to be a fully funded shadow agency to second guess
- 12 those determinations, I think, is just going the wrong way and
- 13 is not what -- certainly what Congress had in mind in creating
- 14 the whole idea of independent agencies, those going back 100
- 15 years, or specifically in this case.
- I just think it would be a bad thing philosophically, a
- 17 bad thing governmentally. If people want to devote their own
- 18 resources, that's fine, but I don't think that the government
- 19 should need to support that. I think it would raise very
- 20 difficult questions of who gets the funding and how much
- 21 funding they get and what happens if six intervenors show up

- 1 in a hearing, as often is the case, do they all get funded; do
- 2 we allocate one pile of money and who is going to divide it
- 3 amongst them and how much should that money be, how many
- 4 witnesses do they get to hire, and which witnesses.
- 5 I think you go down a slippery slope and it becomes even
- 6 more than an unmanageable process.
- 7 CAMERON: Thanks, Jay. Let's go to Susan and then we'll
- 8 got to Bob Backus.
- 9 HIATT: First, I want to touch on a point that Jeff
- 10 raised about elapsed time studies. These are very complex
- 11 proceedings and just because a case, such as Perry, that I was
- 12 involved in, lasted five years, doesn't mean that there were
- 13 five years of continuous hearings.
- Much of that time delay was attributable to delays in
- 15 staff review, actual delays by the applicant, delays in
- 16 construction. The plant just wasn't ready to operate during
- 17 much of that time. The schedule kept slipping and the costs
- 18 kept increasing. I mean, it's not something that you can
- 19 really blame on intervenors and say that hearing went on for
- 20 five years, so there was a problem there.
- I mean, there are things going on outside of the hearing

- 1 process that often contribute to the apparent delay and the
- 2 intervenors had nothing to do with it.
- 3 LUBBERS: A quick question. Is that apparent from the
- 4 files? If someone went back to the file, they could see that?
- 5 Because I was certainly not suggesting that those factors be
- 6 ignored.
- 7 CAMERON: I think that's the important point.
- 8 LUBBERS: It's doable, but it would be very difficult.
- 9 HIATT: I'm not sure you could go back to like a
- 10 transcript or a hearing file and fully pull that kind of
- 11 information out. You'd have to look at the staff review and
- 12 the SER dates and everything else. But it does add some
- 13 complexity to that.
- 14 With regard to Jay's comments, first, some of the
- 15 logistical questions that you raised, well, how do you decide
- 16 who gets the funding and how much. Those are things that
- 17 agencies and entities that gave grants, that issued contracts,
- 18 those are things that you have to consider.
- 19 If you put out an RFP and you get a number of proposals,
- 20 you have to make a choice of who gets that contract. Some
- 21 people will get it and some people won't and you have to

- 1 develop rules and a process and some people won't be happy,
- 2 but it's doable. It's done on a day to day basis by varies
- 3 foundations, agencies that do things like grants and issue
- 4 contracts.
- I think that there are things that maybe, besides
- 6 outright funding, that the NRC could do to make a more
- 7 balanced record. It's not that intervenors are coming here
- 8 with our hand out looking for a welfare program. I mean, we
- 9 want the resources to do the good job. We want a balanced
- 10 record. We don't want to think we're wasting our time and
- 11 ending up with a record that just we're bound to lose because
- 12 it's one-sided.
- 13 And one of the things that can be done, there is
- 14 precedent in the agency, I believe it's a Midwin case, I think
- 15 it's ALAB-382. The idea of calling a board witness, the board
- 16 would actually appoint a witness and the expenses for that
- 17 would be paid out of the agency, and that's one of the things
- 18 I tried in the Perry cases, get the board to appoint a
- 19 witness, because we couldn't afford it and we felt the record
- 20 would be deficient without it.
- But I think there are some things that can be done to try

- 1 to alleviate some of the burdens on intervenors from a cost
- 2 basis that wouldn't necessarily involve writing a huge check.
- 3 CAMERON: Thanks, Susan. You're indicating that there is
- 4 a spectrum of things that might be done to alleviate some
- 5 problems that you've seen, problems that Tony or Joe might
- 6 have brought up.
- 7 Do you have any comment on Jay's shadow government issue,
- 8 that he connected to funding of intervenors?
- 9 HIATT: I'd just say that something we did in Ohio, our
- 10 enabling legislation for the low level waste facility has
- 11 partial intervenor funding in it and we never got to
- 12 experiment with this because the process was canceled, more or
- 13 less.
- In raising in -- in that legislative process, I don't
- 15 remember anybody raising that kind of issue about it's a
- 16 shadow government. I think people recognized the lack of a
- 17 level playing field, that this would be a very controversial,
- 18 difficult to cite, difficult to build facility, and there
- 19 would be opposition and the question I think that kept arising
- 20 is what kind of opposition are you going to get.
- 21 Are you going to get people rioting in the streets and

- 1 that sort of thing? Are you going to get people working
- 2 within the system and serving what I feel is an essential QA
- 3 function? And I don't remember anybody arguing, well, it's a
- 4 shadow government. It's something we -- it's on the books in
- 5 Ohio. I don't know if -- I doubt it if will ever be
- 6 implemented. But it's something we wanted to try there and I
- 7 don't remember anybody raising those types of arguments
- 8 against it.
- 9 CAMERON: Thank you. That's useful to know that there
- 10 may be examples out there that can be looked at. Bob?
- BACKUS: On the issue of shadow government, I think the
- 12 whole premise of this country is the government is shadowed by
- 13 the citizens, who keep a watch on it and check on its
- 14 operations to a greater extent than any other country. In New
- 15 Hampshire, we even guarantee the right of revolution by
- 16 constitution.
- I wanted to talk about the ADR thing that Jeff mentioned,
- 18 because I'm a big believer in ADR. I'm a mediator. I do a
- 19 lot of mediations for our courts in New Hampshire, do them
- 20 privately, and I really believe in the ADR process and
- 21 particularly mediation.

- 1 I think the experience we had in the reactor licensing
- 2 was, even with that belief I had, it was probably not going to
- 3 be very fruitful, because it's really a total divide. The
- 4 applicant got the staff on board and they want their license
- 5 issued to build the nuclear plant here. The opposition says
- 6 no way, no how, and it's really not an easy issue to resolve.
- 7 You can't split the difference on that.
- Reactor license extensions, that might be possible.
- 9 Maybe you could do a mediation and say, okay, you give them an
- 10 extra five years, but we don't want the thing to run for 20
- 11 years. I don't even know whether the jurisdiction or the
- 12 authority is there for that.
- But the place where I think we might try ADR is I think
- 14 where we are right now, and that is doing some negotiations
- 15 that could result in changes to the hearing process and the
- 16 regulations for those hearing process, and I think I'm the one
- 17 that yesterday talked about a grand bargain.
- 18 I think these folks in the industry have some things that
- 19 they want. I don't think it's impossible that there could be
- 20 some negotiations, some give and take, to have a negotiated
- 21 rulemaking, which Jim Riccio would have my head because he

- 1 says never do a negotiated rulemaking, but I'm willing to
- 2 contemplate it.
- 3 Obviously, some of the things we want are some of the
- 4 things on the list. We'd like to see the contentions
- 5 requirements reduced so we don't have to, in our view, prove
- 6 your case before you get in. We'd like to see standing not
- 7 made a big contested issue that takes a lot of time.
- The funding thing we've talked about a lot and I
- 9 certainly agree with Susan. It's doable, but it's damn hard
- 10 to do. There's a lot of devil in those details.
- And another thing we would want is an issue that's very
- 12 contentious, because George has mentioned it several times,
- 13 the Commission's intervention in particular things.
- I think he likes the Commission's intervention, because I
- 15 think it's always worked out to be favorable to his client's
- 16 interest. In my experience, it's not been favorable to my
- 17 client's interest. But one of the things we would want is
- 18 some discussion about standards for Commission intervention,
- 19 some objective standards for the Commission to intervene in
- 20 proceedings.
- I could go on with the list, but if there was an interest

- 1 in talking about this, I think a mechanism could be set up to
- 2 do it and arising out of this very process you've got going
- 3 here, Chip.
- 4 CAMERON: Thanks, Bob. Mal Murphy certainly, if not --
- 5 he didn't explicitly recommend it, but I think that he
- 6 implicitly supported the use of some type of a negotiated
- 7 rulemaking or a discussion concept to set these types of
- 8 rules, and maybe there's some -- maybe there is something that
- 9 could be developed along those lines and we'll see if we can
- 10 come back to that issue.
- 11 Let's go to Tony and, Tony, I don't know whether you want
- 12 to comment on that, also, but whatever you want to say.
- 13 ROISMAN: I really want to go back to intervenor funding.
- 14 Jay is, of course, right. It is an old issue. But its age
- 15 doesn't make it any less relevant.
- 16 I think that many of -- as I look over this list of other
- 17 items, which at least I and Bob are not going to have time to
- 18 be here for, because of our flight this afternoon, but that
- 19 many of them are problems which, if the parties to the
- 20 litigation, forget about intervenor funding, if the parties to
- 21 the litigation were equally well financed, wouldn't present a

- 1 problem.
- 2 If you had the resources to take advantage of the
- 3 agency's openness with regard to all the licensing processes
- 4 and meetings that are going on and so forth before the license
- 5 gets noticed up, you wouldn't have any problem putting
- 6 together the contentions that are relevant and, in fact,
- 7 presumably, you would get to the ones that really mattered and
- 8 along the way you may very well have, as a result of the give
- 9 and take in those meetings, negotiated out or resolved or
- 10 become satisfied that this particular issue is being dealt
- 11 with.
- So I think a lot of these things, tight time limits on
- 13 cross examination, one of the things is that if you have
- 14 intervenor funding or something like it, depositions can take
- 15 the place of cross examination and you simply submit -- you're
- 16 not trying to, except in rare cases, get the hearing board
- 17 chairman to hear a particular witness for a credibility reason
- 18 and the deposition then becomes the vehicle for putting that
- 19 together.
- 20 So I think that making the process run a lot faster and
- 21 expecting a lot more out of the parties who are opposed to the

- 1 license is an easy tradeoff for making sure that they have the
- 2 resources to do it, but I don't think anybody in the room can
- 3 fail to understand why the party, in the case of Susan, in the
- 4 case of Jill, who are basically doing this themselves, without
- 5 the benefit, for the most part, of legal assistance and
- 6 technical assistance, for them to lay down very stringent
- 7 rules that say you've got to do it fast and you've got to do
- 8 it with these clear contentions and so forth, is simply
- 9 intolerable, and that's kind of the situation.
- 10 So that's the first point.
- The second point is that this is reminiscent of the old
- 12 story about the farmer who was asked by the preacher, "Do you
- 13 believe in Baptism," and he said, "Believe in it? Hell, I've
- 14 seen it done." And we already have intervenor funding. The
- 15 Commission, in its wisdom, amended its rules to provide for
- 16 transcripts to be given to parties for free.
- 17 And if you think that's not a significant amount of
- 18 funding, ask the Commission -- I don't know what the dollars
- 19 are, but I know transcripts are expensive, unless you guys are
- 20 breaking some copyright rules.
- 21 CHANDLER: That's been long changed.

- 1 ROISMAN: It has?
- 2 CHANDLER: For more than ten years.
- 3 ROISMAN: Changed in what way?
- 4 CHANDLER: That rule has been suspended.
- 5 ROISMAN: Oh, it has.
- 6 CHANDLER: A long time ago.
- 7 ROISMAN: All right. Well, okay.
- 8 CAMERON: Let's go on.
- 9 ROISMAN: But anyway, there was that. Comanche Peak, we
- 10 had -- I talked to George about this -- we had effectively
- 11 intervenor funding and it was a result of a negotiated
- 12 resolution. The utility wanted to get a decision by a certain
- 13 date. We said there were 100 witnesses that we needed to call
- 14 and put on the witness stand in order to get their testimony
- 15 about whether there had been intimidation of the safety
- 16 inspectors at the plant.
- We and they agreed to do them all by depositions in a
- 18 two-month period, seven depositions at a time, provided that
- 19 we would then submit the depositions in lieu of testimony and
- 20 be ready for proposed findings of fact and conclusions of law
- 21 by a certain date.

- 1 They agreed to it, we did it, and the results were that
- 2 there was a rapid resolution. It turned out not to be what
- 3 the utility had hoped for, but that's a separate question.
- 4 The point was the process worked.
- 5 Third, about this question of review upon review upon
- 6 review, the whole system is review upon review upon review.
- 7 The only question is where does it stop. No utility would be
- 8 willing to take the lowest member of the staff that they deal
- 9 with and let him make all the decisions and they have no right
- 10 of appeal up to the next highest person in this chain, up to
- 11 the hearing board if they don't like the result, out to the
- 12 court if they don't like it.
- I mean, this is -- review upon review is the way it's
- 14 done. There is a limit. The US Supreme Court ends it, unless
- 15 you go to Congress and change the law. So it's not -- it's a
- 16 slippery slope anywhere you stand on the slope.
- I don't think that there is any way to have intervenor
- 18 funding; by the Commission's declaration, you are prohibited
- 19 by law from doing it. So the only way that it would ever
- 20 happen is if the Commission, the industry and the intervenors
- 21 jointly said we've got a proposal, went and sat down with the

- 1 key members of Congress and said we've struck a deal, but you
- 2 have to agree to it, and this is the deal, here is what
- 3 intervenors give up, here is what intervenors get, here is
- 4 what we want, will you approve it.
- If they say no, there can't be a deal.
- 6 CAMERON: That hearkens back to perhaps using some type of a
- 7 process like Bob suggested to try to do that.
- 8 ROISMAN: Right. And I think the logistics of it, while
- 9 admittedly are complicated, they are not by any means
- 10 insolvable. The simplest thing is you set a physical dollar
- 11 amount per hearing. You say we've got this much money, it
- 12 will be available, provided that all the intervenors agree
- 13 that that is to be used by them jointly and they decide how to
- 14 divvy it up, having to prove, of course, that they used it for
- 15 appropriate purposes, et cetera.
- 16 CAMERON: And just let me put a -- just let me emphasize
- 17 something so that it's clear. Provision of funding is not
- 18 just a quid pro quo for certain improvements, other
- 19 improvements in the hearing process.
- They are, as I think people pointed out, there is a
- 21 relationship between some of the what I call

- 1 dysfunctionalities that occur in the funding that is well
- 2 prepared issue, and I didn't want people to think that what
- 3 you were suggesting in terms of the tradeoff, that's really --
- 4 there is really a link between some of these things.
- 5 ROISMAN: Right. Yes. I think that's right.
- 6 CAMERON: Thanks.
- 7 ROISMAN: I'm sorry that we've got to go, but --
- 8 CAMERON: Yes, and I --
- 9 ROISMAN: I fly infrequently to Manchester, New
- 10 Hampshire.
- 11 CAMERON: Right. And I would thank both of you for being
- 12 here and a couple people, Mal Murphy suggested, Steve Kohn
- 13 suggested that there should at least be another get-together
- 14 like this before the proposed draft proposed rule goes out.
- 15 That was one suggestion that was made.
- 16 You heard Bob Backus talk about negotiated rulemaking.
- 17 So there's some process suggestions here. I don't know if any
- 18 of you other guys -- did we have -- should we adjourn now or
- 19 do we have other things that we need to get out on the table
- 20 here? Tony and Bob are leaving. Susan?
- 21 HIATT: I just wanted to make a comment about the

- 1 dysfunctionalities. My perception is I don't think any
- 2 intervenor, maybe some rare exceptions, has done anything that
- 3 any industry wouldn't do if you were in that intervenor's
- 4 shoes.
- 5 CAMERON: Good point. Ignore my characterization of it.
- 6 It's just a shorthand way of trying to describe that.
- 7 I would just -- Jeff, did you have a quick thing?
- 8 LUBBERS: Just a quick thing on the intervenor funding.
- 9 I don't think anybody was suggesting creating another agency,
- 10 although there are models of having an office of public
- 11 counsel and public utility commissions and things like that.
- 12 We're not even talking about that.
- We're just talking about increasing public participation
- 14 through funding and when Mr. Silberg said that this issue was
- 15 settled 20 years ago, it wasn't really settled 20 years ago.
- 16 Agencies were in the process of figuring out how to administer
- 17 intervenor funding at that point and all of a sudden all these
- 18 programs got cut off.
- 19 Agencies had inherent authority to use intervenor funding
- 20 and then Congress starting putting riders on appropriations
- 21 bills that blocked these programs.

- 1 So I don't think the issue was settled. It's just the
- 2 progress of these sorts of programs was just sort of cut off
- 3 in midstream.
- 4 CAMERON: Thanks for that clarification. Let's go to see
- 5 if George has a comment, and then I just will turn it over to
- 6 the NRC folks for anything that they want to say before we
- 7 close. George?
- 8 EDGAR: I just wanted to weigh in on the intervenor
- 9 funding issue. I think the sense of Jay's comment, as I took
- 10 it, was a historical comment. The same debates transpired 20
- 11 years ago. We've heard the same discussion. Tony and I have
- 12 been in the room over the years with the same pros, cons and
- 13 arguments.
- 14 For better or for worse, in my judgment, the NRC has to
- 15 be the arbiter here, the notion of private attorneys general,
- 16 not accountable in any way to the Executive or the Congress,
- 17 to me, is a fundamental policy choice and it's one that thus
- 18 far has been made in the negative.
- 19 There is a GAO opinion that says that the NRC does not
- 20 have authority to do this. I think there are many ways of
- 21 improving the process to reduce the resource burden, but it's

- 1 far from obvious to me that providing intervenor funding does
- 2 then result in a more effective or efficient process.
- I don't think that you're going to see empirical evidence
- 4 of that. I think when you look out there at states where
- 5 intervenor funding has been provided and state proceedings,
- 6 that there is no evidence that that's resulted in a more
- 7 efficient process, a more effective process.
- 8 I wouldn't assume that merely because you provide
- 9 funding, that you've solved six other problems. I don't think
- 10 that linkage is there.
- 11 CAMERON: Thanks, George, for pointing out that there may
- 12 be things that can be done to reduce burdens, also.
- 13 Before I turn it back to Larry and Joe to see if they
- 14 have any final comments, I just wanted to thank all of you for
- 15 being here and for your contributions on this, and I don't
- 16 think I've ever worked with a more impressive group of people,
- 17 although sort of a daunting group to work with in some
- 18 respects.
- 19 But thank you. Larry, Joe, any final comments?
- 20 CHANDLER: Just speaking for myself, I wanted to thank
- 21 all the other participants for their contribution. I think it

- 1 complicates our life, the input, and it makes it easier at the
- 2 same time. So thank you very much.
- GRAY: And I just wanted to say the same, but we will
- 4 also carry back to the Commission the substance of what was
- 5 discussed around the table here the last day or so.
- 6 CAMERON: And I guess Jill gets the award for coming the
- 7 farthest distance to join us. So an extra thank you for that.
- 8 All right. We're adjourned.
- 9 [Whereupon, at 12:03 p.m., the meeting was concluded.]